Previous references.
Genl Fin 186-12, Sl 1 & 2
B July 13.

1913.
(Genl Finance)

File No. 116-13

Serial Nos. 1 & 2

Later references.

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1 & 2

Part B. for August 1914

SUBJECT.

State Budget Estimates for 1914-15.

---

1 From the Comptroller
No: 7489/B&R 1207 dated 23rd May 14
Forwards the Preliminary Budget Estimates for 1914-15 together with the General Review and major Head notes connected therewith.

2 To The Comptroller
No: H 521 dated 7th August 1914.
Sanctions the Budget Estimates of the State for 1914-15.

G. R. S. 56
manasuinheepar
27. 8. 14.

G.R.S. 11] 1913-14

GENERAL AND REVENUE SECRETARIAT.

(Gl Fin)

NOTES.

File No. 116-13

FILE HEADING.

State Budget Estimates for 1914-15

From

The Comptroller

No. 7489 / B&R 1207 Dated 23/5/14 Received 25/5/14

Diary No. 4769 | Enclos. 16 Sets Spare Copies. | Serial No. 1

BRIEF ABSTRACT OF LETTER.

Submits the Preliminary Budget Estimates for 1914-15 together with the general review and major head notes connected therewith.

NOTES AND ORDERS.

Subd

1 May copies ~~be distributed~~ Submitted to the Dewan and Councillors and the Genl Secretary?

2 On receipt of Sanction to all the budgets the necessary statements will be sent up.

Hold BVN 25/5/14 SN 25/5

3 Please see slip sent this morning

25/5/14

NOTES—First Sheet.

GPB—35,000—15-6-12

G. R. S. 12]

General and Revenue Secretariat. | G.7 File No. 116 of 1913-14

Serial No. 4

H Assistant Secretary's direction on the slip.

" Distribute Copies of the Comptroller's Budget to Dewan and Members of Council with a note showing the difference if any with the provisionally Sanctioned estimates and those that have yet to be Sanctioned & the difference that may exist there & saying how in the result the figures will have to be revised. Prepare a list of Subsequent Sanctions received till today arranged according to major Heads and pass an official memorandum asking that these should be included in the Budgets".

"Prepare the list of items for Consideration at final budget time. These matters should be treated as Immediate and I hope to be able to send off these budgets with the above notes on Wednesday at the latest." Intd T. L. 25/5/14

NOTE—Contn. sheet.

G PB—60,000—7-11-13

G. R. S. 12]

General and Revenue Secretariat. | G·7 File No. 116 of 1913-14

Serial No.

D.O. No.

GOVERNMENT OF MYSORE

General and Revenue Secretaria

Bangalore, 31st May *1914.*

My dear sir,

5

I am desired to state that a Meeting of the Council of H.H. the Maharaja will be held on Wednesday the 3rd June commencing from 3 P.M., in Lake View, Mysore and to request you to be so good as to be present at the meeting when the undermentioned subject pertaining to your Department is taken up for discussion.

Yours sincerely,
D. M. Narasinga Rao.

Dewan Bahadur,
J.S. Chakravarti Esq, M.A.,
Financial Secretary to the
Government of Mysore.

Subject.

State Budget for 1914-15.

6 Asst. SECY. FIN.

You will please have all the papers ready & come up to Mysore with them are not in the financial Section

I shall be glad if you will attend the meeting by noon on 3rd inst. Please let me know how the Budget proposals concerned at 3 P.M. stand. Please bring to file

BE 1/15.

GRD 1/6

1.6.14

G. R. S. 12]

General and Revenue Secretariat. | G.7 File No. 116 of 1913-14

Serial No.	
8	The provisional Budget Estimates for 1914-15 were presented to the Legislative Council on the 29th June 1914. (vide Financial Secretary's speech introducing the Budget Estimates for 1914-15 in the Legislative Council).
9 (Supplement to the Mysore Gazette dated 20 Aug 1914)	The Budget was discussed in the Legislative Council on the 7th July 1914

Rev. Gl. 7]

~~COMPTROLLER'S~~ OFFICE. G.F116-13

~~(CIVIL BRANCH.)~~

ORDERS.

NOTES.

Secy Legislative Council

10 When is the report of the budget discussion meeting expected to be ready?

11 If it is likely to take some time I shall request Dewan Saheb to submit the budget for H. H. + Main final sanction in anticipation of the full report being prepared.

12 So please let me know at once — M

8/7

13 The report will be ready in a week. The proofs will have to be sent to the members for approval before issuing the report + hence it is likely to take some time. In my view the opinion of the final sanction to the budget may be obtained without waiting for the full report of the discussions of Tuesday last.

SIDK 9/7

G.F.1613

COMPTROLLER'S OFFICE.

SUBMITTED

TO THE DEWAN OF MYSORE.

—o—

BUDGET ESTIMATES 1914-15

I beg to suggest that the State Budget for the year 1914-15 may now be submitted to His Highness the Maharaja for favour of final sanction.

2. I learn from the Secretary to the Legislative Council that the getting up of the report of the Budget discussion meeting will take some time. It is not necessary for us to wait for that report as the general trend of the discussions is known to all the members of Government and any recommendations that they may choose to make in the matter of modifying the budget figures can be made without waiting for the full formal report of the meeting.

3. I took fairly full notes of all the important points brought forward by the non-official members. The only definite suggestions as

GPB—300—27-5-14 regards

G.7.116-13

regards budget figures that seem to require consideration are:

(a) reduction of Land Revenue estimates in view of the seasonal conditions

(b) raising the Excise revenue in view of past actuals, and

(c) additional provision under Education for increasing accommodation in the Intermediate classes or for starting a new college.

Personally I am of opinion that the budget figures require no change. Any action which Government may deem fit in respect of increasing accommodation in the Intermediate classes can be taken by re-appropriation from the liberal grants under Education.

4. In these circumstances, I recommend that the estimates as provisionally framed be passed and that the Introductory Memorandum (speech) and the Budget be published as usual in an Extraordinary issue of the Gazette.

5. In the Legislative Council proceedings, the introductory speech need not be printed in full but only a reference to the Extraordinary Gazette need be made. This course is suggested because the printing of the

budget

Q.7116-13

Budget and the Introductory Memorandum together has got certain advantages and it will secure the continuance of the practice of previous years.

6. Very early orders on this point are solicited so that the budget may be published as early as practicable.

J Chakravarti
Comptr & Audr Genl

Bangalore,
9th July 1914

CONFIDENTIAL. Q.F. 116-13

794

15 The introductory speech of the Financial Secretary, with the preliminary Budget estimates, has already been placed before the Legislative Council and the public, and it will be published again when the Legislative Council proceedings appear in the Gazette. It is therefore for consideration whether its republication with the financial budget as sanctioned by His Highness is necessary.

The speech did not receive the formal approval of Council and does not in every detail embody the views of Government.

The Budget may therefore be submitted to His Highness and published separately in an Extraordinary issue of the Gazette after receipt of sanction.

18 No alteration in the estimates are necessary.

19 I shall be obliged if the Members of Council will favour me with their views.

10.7.14. RC

To

The First Member of Council
The Second Member of Council
The Extraordinary Member of Council.

I agree with the Dewan. The introducing Speech may appear in the Leg. Cl proces.
The budget requires no alteration in the light of discussions.
10/7/14

I agree too
11/7

I agree too.
KVRao
13.7.14

222
13.7.14

To the Financial Secretary for favour of action accordingly
13.7.14. RC

Secretary II
DSN Evans
13/7/14

G. R. S. 12]

Budget Estimates for 1914-15

General and Revenue Secretariat. Pp. 7 File No. 116 of 1913-14

Serial No.	
27	Subd with a draft Subsn Note. SN 16/7/14 Agreed 16/7/14
28	Has the Revenue Estimate of the T-Y Tramway been included? Vide para 77 (penultimate sentence) of Memorandum. I think 17 has to be added as net revenue & figures changed accordingly. Please see. 16/7
	Subd 29 The revenue estimates of the T-Y Tramway have not been included. The net receipts of Rs 17 have now been added and a revised draft subn Hd R. HRR SN 17/7/14 17/7 Agreed Respecting the Slipper Steeple which was lost in the Wreck the Estimate was prepared 17.7.14.
30	Vide revised draft of submission note. 20/7
	380/20.7.14 Agreed 20/7/14

NOTE—Contn. sheet.

GPB—10,000—13-6-14

G.F 116-13

Submitted to His Highness.

The Budget Estimates for the year 1914-15 as provisionally passed and presented to the Legislative Council were for a revenue of Rs.284,92,000, and an expenditure, inclusive of grants for special capital works of Rs.358,63,000.

2. The Budget was discussed in the Legislative Council and the only definite suggestions as regards figures were -

(1) reduction of Land Revenue estimates in view of the seasonal conditions,

(2) raising of anticipated revenue under Excise in view of past actuals, and

(3) additional provision under Education for increasing accommodation in the Intermediate classes or for starting a new college.

3. I agree with the Members of Council and the Financial Secretary in thinking that no alterations in the figures are necessary. We may yet hope for sufficient rain and fairly normal conditions.

×

4. A sum of Rs.17,000 has, however, to be added on the revenue side on account of the net revenue anticipated from the Tarikere-Yedahalli Tramway line which is shortly to be opened for traffic. This was not included in the provisional Budget as the estimates were not read at the time.

5. With this addition the estimates will stand as under, and may be graciously sanctioned:-

Revenue ..	..	Rs.285,09,000
Expenditure (inclusive of grants for special capital works).	..	Rs.358,63,000

6. The special grants for capital expenditure aggregate Rs.95,17,000 as noted below:-

(1) Cauvery Reservoir Works	-	Rs.37,50,000
(2) Electric Tramways	-	" 6,00,000
(3) IV Installation, Cauvery Power Scheme	-	" 5,67,000
(4) State Railway Construction	-	" 36,00,000
(5) Subsidised -do-	-	" 10,00,000
Total	-	Rs.95,17,000

7. Exclusive of the special grants, the normal Budget shows a surplus of Rs.21,63,000.

M. Krishnaraja -
21st July 1914 -

Q.F.116-13

Record of Cases submitted for the Orders of His Highness the Maharaja.

Subject.

Budget estimates of the State for the year 1914-1915.

81

Order.

35 Sanctioned
KRMS
24/7/14

38 Fin. Secretary
26.7.14. RG

H.V.N. Draft

30.8.14.

G. R. S. 12]

4

General and Revenue Secretariat. | Q.7 File No. 116 of 1913-14

Serial No.

35 Draft subd
ABM
29/7. Telegy)

36 Clean copy please
M
29/7

37 Kemp clean typed draft
advice —

37 Typed draft subd.
H3076
30-7-14 ABM
Telegy)

621
3.8.14 Dewan)

Note—Contn. sheet.

GPB—10,000—13-6-14

G. R. S. 12]

General and Revenue Secretariat. | 4.7 File No. 116 of 1913-14

Serial No. 2

To The Comptroller
no: H 521 dated 7th August 14
Sanctions the Budget Estimates
of the State for the year 1914-15.

(Please see para 8 of the note)

Financial Statement of the Government of His Highness the Maharaja of Mysore for the Year 1914-15.

FINANCIAL STATEMENT OF THE GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE, FOR THE YEAR 1914-1915.

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Financial Statement.

Part I.—General Abstract of Revenue and Expenditure.

Part II.—General Statement of Receipts and Disbursements.

Financial Secretary's speech introducing the Budget Estimates for 1914-15 in the Legislative Council.

N.B.—Unless otherwise expressed, figures are to be understood as meaning thousands of rupees.

Sir,

With your permission I rise to present to this Council the provisional budget of the Government of His Highness the Maharaja of Mysore for the year commencing 1st July 1914. In performing this pleasant duty, which I also regard as a high privilege, I cannot but refer to the fact that the practice of preparing an introductory memorandum to the annual State budget explaining its salient features and of publishing the budget with that memorandum in the Government Gazette for the information of the public was introduced with effect from the year 1909-10. There can be little doubt that this practice has led, in a great measure, to the dissemination of correct ideas about the financial measures of Government amongst the general public. The amendment to the Mysore Legislative Council Regulation sanctioned by His Highness the Maharaja this year, by which the discussion of the annual budget is brought within the scope of business of this Council, is a further step in the direction of bringing the financial policy of the State into close touch with popular views and aspirations.

2. There will be no discussion on the budget to-day. A printed copy of the budget and all connected papers will be given to each member. I think, sir, you intend fixing Thursday next the 2nd July 1914, as the day of budget discussion. On that day a meeting of this Council will be held when each member will be at liberty to offer any observations he may wish to make on the budget. In the meantime, if any member wants further explanation in respect of any figures or requires additional details as regards any of the heads in the budget, every endeavour will be made by the Finance department to satisfy his requirements. By this means it is hoped to utilize the time available for discussion in Council to the best advantage in considering important questions of general financial policy, rather than details of figures, explanations regarding which can be given to individual members without taking up the time of the Council as a whole. After discussion by this Council, the budget will again be considered by Government in the light of suggestions that may be put forward by the members, and it will then be submitted to His Highness the Maharaja for final sanction.

3. In deciding the figures to be adopted for the budget estimate of the ensuing year, we have naturally to take as the most important guide the revenue and expenditure figures for the current year. The figures for the last year are also useful for comparison. The budget placed before the Council therefore contains under each head the figures for 1912-13, as per accounts finally closed, the revised estimates for 1913-14, prepared on the basis of eight or nine months' actuals, and the proposed estimates for 1914-15. Of these three sets of figures, those relating to the closed accounts of 1912-13, were published and reviewed in detail in the Appropriation Report appended to the *Mysore Gazette*, dated the 28th May 1914. I flatter myself with the hope that this document has found eager and attentive readers amongst the members of a body newly vested with financial functions and anxious to discharge them. The revised estimates for the current year are therefore the first thing to demand our attention to-day. The study of these figures

will show to what extent our expectations about revenue and expenditure formed about this time last year have been realized and how far they have to be modified on account of circumstances which could not be foreseen at that time. When we have thus studied the trend and the result of the financial forces operating within the State up to date in connection with the revised estimates, we shall be in a position to proceed to the more important part of our day's work, *viz.*, the consideration of the financial programme for the ensuing year.

Changes in budget heads.

4. But before proceeding to consider the estimates, I shall briefly refer to a few important changes in connection with the form and substance of our financial statement which it is proposed henceforth to adopt. The first set of changes relates to the heads of account and consists of the opening of some new major heads, both on the receipt and on the expenditure side of the budget and I shall mention some of them. The separate major heads "*Profit or Loss*," both on the receipt and expenditure sides, under which the income from State investments and the income-tax paid thereon were respectively recorded, have been done away with by amalgamation with the head *Interest*, as the transanctions recorded under both are essentially of a similar nature. The recent expansion and development of the department of Agriculture make it desirable to record the transactions of that department under a separate major head instead of relegating them to an obscure subsidiary head under Minor Departments. As long as the department was one chiefly of agricultural chemistry, as was the case at its inception in 1898-99, or one primarily concerned with mycology and entomology, as it was since 1907-08, there was some justification for the old classification which regarded the department as one of pure scientific investigation as distinguished from executive action on a large scale. But with the creation of a regular department of Agriculture with a full staff and a budget well over 2 lakhs, the department may well claim to be released from its minority. For similar reasons and also to indicate more appropriately the position which the departments occupy in the present policy of Government, *Sanitation* and *Industries and Commerce* have been elevated to the rank of major heads.

5. Owing to the development of railway activities and the variety of financial interests involved in the several lines, the few heads already existing in our railway accounts are no longer sufficient, and it has been found necessary to amplify them. The several charges on account of assignments and compensations such as malnad land inam payments, compensation to the Sringeri jahgir for the abolition of the *halat* and refund of Excise revenue to inamdars, etc., are now scattered under several major heads in our accounts. The peculiar and important nature of these changes renders it desirable to adopt the system followed in British India of bringing together all these charges under a separate major head. Lastly, with the introduction of the village improvement scheme and the resolution of Government to provide at least Rs. 2 lakhs every year for some time to come as grant-in-aid to the village funds, a new head has been opened in the debt head portion of our accounts to record the receipts and disbursements in our treasuries in connection with these funds.

Changes in form and scope of the financial statement.

6. The foregoing changes refer to the heads of our Financial statement and budget. I shall now refer to a somewhat important change in their scope and form. Hitherto the budget estimates published in the Gazette related only to the service heads. The estimate under the debt and deposit heads with the Ways and Means note was separately considered by Government and was not published. Henceforth it is proposed to publish the financial statement in two parts. The first part will consist of the service heads from which, however, transactions relating to extraordinary items of capital outlay will be excluded and which will work up to a surplus or deficit for the year. The second part will show the extraordinary capital outlay and the result of the debt and deposit transactions and work up from the opening to the closing balance. By this means all the financial transactions of the state will be included in the statement presented to this council, whether they relate to real income and expenditure or whether they represent merely receipt or disbursement not affecting the net assets or the net liabilities of Government.

7. The extraordinary items which have been transferred to the second part of the financial statement are those relating to the Cauvery reservoir project, construction of new railway lines, the fourth installation of the Cauvery power scheme, and the Bangalore tramways. All other items of capital outlay *e.g.*, the outlay on other original works in the public works and electric departments and the capital expenditure on open lines of railway, are retained in the first part. The question as to how far the current revenues of Mysore, including the Mining and Cauvery scheme revenues, should be made to contribute towards capital expenditure, is one of great importance in the financial policy of the State and is receiving the most careful consideration. If it is found on mature consideration that the first part of the financial statement, which is intended to include the current revenues of the year and the charges fairly debitable to them, should be relieved of any item of capital expenditure now included in it, such item will in future be transferred to the second part of the statement. If, on the other hand, it is considered reasonable that the revenues from the mines or any other item of receipt should not in fairness be wholly regarded as ordinary revenue available for current expenditure, steps will be taken to earmark such portion and see that it is properly reserved for capital outlay.

Budget factors in Mysore and elsewhere.

8. In Mysore, as in India generally and in other countries in a similar stage of economic development, it is the revenue side which determines the character of the budget as far as service heads are concerned. In more advanced countries, the expenditure programme for the year is first settled, and the revenue heads, most of which are fairly elastic, are adjusted so as to bring in the necessary amount. But here the revenue system is comparatively rigid in respect of most of the heads and it is impracticable or undesirable to adjust them from year to year. The expenditure side of the budget under service heads has therefore to adapt itself to the revenue estimates. The estimates of revenue in their turn are chiefly determined by the conditions of agriculture and trade which are expected to prevail, as the third principal factor affecting the financial situation of Government, *viz.*, non-agricultural industries, has not yet assumed sufficient importance in India. Of the two essential factors of revenue prospects, *viz.*, trade and agriculture, the course of trade again depends in India, in a great measure, on the state of agricultural operations, for these operations supply most of the exports of commerce and the wealth with which the imports are bought. The character of a year's budget in an Indian province or state is therefore chiefly determined by the prospects of agriculture, and these in their turn depend on the amount and occurrence of rainfall in relation to the needs of the staple crops. It thus happens that the seasonal conditions form the keynote of every financial statement in India. In this respect the situation has not materially changed since the dim and distant days when the Vedic Rishis used to chant their hymns to the God of rain and pray "Give, O Indra, food and drink to the hungry."

9. The case is somewhat different in respect of that portion of the budget which relates to capital expenditure on productive works such as irrigation, railway construction and other state undertakings of a commercial character. In respect of such heads the determining factors should be the requirements of the country in the matter of material and moral advancement of the people and the extent to which funds can be made available during the year for meeting such requirements by loans in the open market or otherwise. Generally speaking, for works of this nature, it is more economical and advantageous to have a comprehensive programme extending over several years and execute that programme systematically as far as practicable, without subjecting the annual operations to violent fluctuations in accordance with the varying seasonal and agricultural conditions from one year to another.

10. The conditions of Mysore at the present time, though generally in accord with the situation in other parts of India which I have just now indicated, present some distinguishing features. As long as land revenue and excise continue to furnish over 54 per cent of our gross revenues, the meteorological conditions cannot but be powerfully reflected in the service head portion of the state budget. But at the same time it may be contemplated with some satisfaction that here in Mysore we have some important heads of revenue, *e. g.*, sandal, mining royalty and

the Cauvery power revenues which are wholly or in a great measure independent of seasonal conditions. This makes domination of the monsoons over finance less rigorous and enables us, in some measure, to continue the work of reorganization and development in respect of several branches of the public service through years, which, from the point of view of agricultural prosperity, have to be regarded as below average.

11. In respect of the capital portion of the budget also, the circumstances in this state happen to be somewhat peculiar at the present moment. Thanks to the large surpluses of some years past—secured not by starving public works or the public services, but by the continued prosperity of agriculture, the mining industry and other causes—the state has now sufficient accumulated funds to carry on a liberal programme of capital works for a few years to come, without recourse to borrowing in the market.

Revised Estimates, 1913-14.

General Remarks.

12. When the budget estimates for 1913-14 were finally adopted, the seasonal conditions, though giving no room for undue optimism, still admitted of assuming average prospects of agriculture and trade for budget purposes. The serious defect in the *mungar* rains and the fitful way in which the south-west monsoon began to break showed, however, that some caution was necessary. In these circumstances the budget for 1913-14 was framed for a revenue of 257,17 against a revised estimate of 272,92 for 1912-13 and a total of 250,90 as per actuals of the preceding year. It was thought that it would not be safe to estimate according to the standard of 1912-13 in which the season and trade conditions were decidedly more propitious; but there was no reason to apprehend that the standard attained in 1911-12 could not be maintained.

13. On the expenditure side, the budget for the current year was the embodiment of an active and energetic policy, both as regards the development of permanent departments of the state and as regards capital expenditure on productive public works. The estimates of most of the departments were studded with additional grants the most important of which were those relating to general and technical education, industries, agriculture, malnad improvements, the taluk establishment and the police force. The provision under service heads thus came up to 248,45 against a revised estimate of 229,63 in 1912-13 and a sum of Rs. 224,99 as per closed accounts of 1911-12. Besides this, a special additional allotment of Rs. 65,10 was provided for capital expenditure in connection with the Cauvery reservoir, railway construction, the fourth installation of the Cauvery power works and the Bangalore tramways. The total expenditure provided for in the budget thus reached the unprecedented figure of 313,55. As the money required for the capital programme was to come out of the accumulated surplus of previous years and not from the current revenues, no hesitation was felt on account of the seasonal conditions in having a full programme. On the other hand, in the circumstances of the case, a large capital programme was considered to be a decided advantage.

Revenue.

14. The expectation of average seasonal conditions on the basis of which the revenue estimates for the current year were framed cannot be said to have been fulfilled. The aggregate hot weather rainfall from March to May 1913 was in defect of the normal throughout the Mysore area, the deficiency ranging from 5 per cent in the Tumkur district to 33 per cent in Mysore. For the state, the defect amounted to nearly a fifth of the usual quantity. The south-west monsoon rains set in at the usual time on the west coast and rapidly extended to the interior, and in this state the total rainfall of the period of this monsoon from June to September 1913 was about the average. But the distribution in time was abnormal. After heavy showers in the first half of July, a break commenced which with a slight mitigation about the end of the month extended right through August and nearly up to the middle of September. Heavy rainfall in the latter part of September made up the average quantity but the staple dry crops had suffered by this time. The rainfall of the north-east monsoon period from October to December

was scanty in all the districts except Shimoga. The defect was over 70 per cent in Tumkur and the average for the state was less by about 40 per cent. Even this reduced amount was ill-distributed in time, the whole of the precipitation of the north-east monsoon having been within the first half of October. The latter part of this month as also the months of November and December were practically without any rain. The north-east monsoons bring the tank-filling rains of Mysore and, for agricultural purposes, provided the full quantity is received, an uneven distribution in time up to a certain extent may not much matter. But the very early cessation of the north-east monsoons in the middle of October leaving the five months from November to March practically rainless, very much affected the summer discharge of the Cauvery, and this, as we shall see later on, led to some loss of revenue. It will thus be seen that of the three periods of rainfall on which our harvests of 1913-14 depended, the hot weather rains from March to May 1913 were deficient in quantity, the south-west monsoon precipitation from June to September was ill-distributed in time and the north-east monsoon showers from October to December were both deficient in quantity and ill-distributed.

15. It is an agreeable surprise to find that this rather unfavourable condition as regards rainfall has not adversely affected our revenue prospects as a whole. In some parts agricultural operations were hampered and the crops withered and suffered much, but on the whole the yield of the ragi and paddy crops was fair. In the case of the former crop the yield varied from about 7 annas in Bangalore, Kolar and Tumkur to 16 annas in Mysore. In the case of the latter the outturn was least in Bangalore district where it was about 6½ annas, and it was greatest again in Mysore in which a 14 annas harvest was reaped. The general average for the state reported to be 8·7 annas for ragi and 11·1 annas for paddy cannot but be regarded as satisfactory under the seasonal conditions of the year.

16. In fact our total revenue figures for 1913-14, instead of being adversely affected under the seasonal conditions which prevailed, stand revised from 257,17 to 287,30 which means an improvement of 30,13 or about 11·72 per cent. This increase is contributed to by almost all the group heads, the most important groups being Principal heads of Revenue, Interest and Railways. In taking the revised revenue figures at 287,30 for comparison with the budget, I have, of course, excluded the sum of 30 lakhs shewn under the head IX A. *Surplus Revenues of the Bangalore Assigned Tract.*

17. The proportion in which the revenue of 287,30 as per revised estimate is contributed to by various sources is shewn below :—

	Per cent.
Land Revenue	36·55
Excise	18·17
Forest	11·53
Mining Revenue	6·74
Interest	6·02
Cauvery Power Scheme	5·96
Railways	5·88
Stamps	3·59
Other Heads	5·56
Total ...	100·00

18. *Principal Heads of Revenue.*—The improvement over the budget under the group "Principal Heads of Revenue" amounts to 21,26. Of the six heads under this group three, *viz.*, *Land Revenue*, *Assessed Taxes* and *Registration* show no decided fluctuation from the budget. This advance is chiefly under *Forest* and *Excise* and to a smaller but quite appreciable extent under *Stamps*.

19. In the face of the seasonal conditions of the year no excess over the budget could be expected under *Land Revenue*. That the budget figure has been barely realised is due chiefly to two causes. In the first place the preceding year was one of abundant rainfall and satisfactory crops. And secondly, the sharp rise in the price of food grains during the last two years, was a decided advantage to the raiyat, specially as far as fixed money payments like *kandayam* were concerned. Thus the annual average price of ragi in the state during the three years ending 1912-13 was 18·52, 16·40 and 15·31 seers per rupee. The same figures in respect of rice of the second sort were 9·21, 7·83 and 6·62. In the current year the

prices continued at these high levels. In the course of two years the rise in price is 20·96 per cent in the first case and 39·1 per cent in the second. This undoubtedly explains to some extent the ability of the raiyat at the present time to meet his *kandayam* in spite of a somewhat poor harvest.

20. The feature of slow contraction manifests itself, as usual, under *Assessed taxes* by which are meant mohatarfa in rural tracts and assessment on vacant building sites. Against an estimate of 2,75 the actuals are expected to be 2,63. In the case of *Registration*, on the other hand, the realisations are better than the budget, *viz.*, 1,95 against an estimate of 1,85. The fluctuation from the budget under the head *Stamps* is considerable, the revised estimate standing at 10,30 against the estimate of 9,00. The increase is both under general and court fee stamps and indicates a greater degree of activity in general business and in our civil courts.

21. Under *Forest*, against the budget of 22,00 the revised stands at 33,14. This increase of over 50 per cent is chiefly due to the fact that the favourable rates for sandal realised last year were not only maintained at this year's auctions but showed a distinct advance. The average rate per ton secured this year was Rs. 1,000 a ton against Rs. 940 of last year. The other items of revenue under this head also contribute an increase of 3,02 over the budget, the bulk of which is expected to come from timber operations both by Government and private agency.

22. The Khedda operations during the last year cost about 1,11. Of the 109 elephants caught 32 died, 7 were retained for departmental use and 4 presented. The remaining 66 were sold for Rs. 1,25,250, the average price realised per head being Rs. 1,898. The net result of the operations was thus a profit of Rs. 14,250 besides the addition to the live stock of the department.

Excise.

23. The increase of 8,84 over the budget figure of 43,36 under *Excise* constitutes a very striking feature of the revised estimates of the current year. The course of this revenue during the last few years has been as follows:—

1906-07	39,77
1907-08	41,83
1908-09	43,63
1909-10	42,11
1910-11	41,99
1911-12	42,81
1912-13	48,14
1913-14 (Revised estimate)	52,20

The rise from 39,77 to 42,81 in five years from 1906-07 may be regarded as normal. But the increase from 42,81 in 1911-12 to 48,14 in 1912-13 and from that figure to 52,20 in the current year, *i.e.*, about 22 per cent in two years is a remarkable phenomenon which requires careful study from more than one point of view. The increase of 9,39 during the two years is analysed as follows according to our minor heads:—

		1911-12	1913-14	Variation
III A	Arrack	21,11	25,58	4,47
	Foreign liquors (included in accounts under Arrack)	12	19	7
III B	Toddy	19,92	24,44	4,52
III C	Beer	20	14	—6
III D	Ganja	96	1,18	22
III E	Opium	40	52	12
III F	Miscellaneous including C. & M. Station proportionate cost of the Central Distillery	10	15	5
	Total ...	42,81	52,20	9,39

24. I do not know whether many of us will be inclined to draw any consolation from the fact that compared with the rise of revenue under arrack the increase is as great, if not greater, in the case of the milder and comparatively less harmful toddy. Our revenue statistics also show that the increase under country arrack is not accompanied by increase of receipts under foreign liquor, the increase of 7

in 1913-14 over the figures of 1911-12 shown against this head being due not to any increase in consumption, but to the collection of registration and surcharge fees in Bangalore and Mysore city municipalities from the year 1913-14. If it is a fact—I cannot vouch for it from personal knowledge or experience—that some of the cheaper foreign liquors are rank poison when compared to our jaggery arrack, which in its turn is more deleterious than toddy, this leaning of the drinker towards the less injurious stuff has to be regarded with some satisfaction.

25. There is another method of analysing our Excise revenue figures which throws important light on the whole subject. Under each of the minor heads I have just now referred to, the revenue consists broadly speaking of two classes of items, *viz.*, duty or tax on the liquor and shop rental or license fees. Of these the first item may be said to vary solely and directly with consumption if the rate of duty or tax remains unchanged. The second item *viz.*, rent depends partly on consumption and partly also on competition amongst the capitalist licensees. An increase in this item need not necessarily denote increased drinking amongst the people. Analysed on this basis, the Excise revenue figures stand thus:—

	1911-12	1913-14	Variation
Duty or tax	25,62	31,03	5,41 or 21 per cent more
Shop rental and License fees ...	17,19	21,17	3,98 or 23 „

It may therefore be said that the increase in our Excise revenue since 1911-12 is due, in some measure at least, to causes other than increased consumption of liquor.

26. With effect from the year 1910-11 the strength of arrack sold in the shops was reduced from 20 to 25 degrees under proof. This reduction of strength of course means that for an equal degree of stimulation a greater quantity of arrack is required. Since 1911-12 there has been great activity in the labour employing departments of the state like public works and railway construction, more wages have been distributed all round and colonies of imported coolies have sprung up. Temporary increase of consumption may be expected in such circumstances. Energetic steps have been taken of late to put down illicit distillation and smuggling across the frontier, and this may have resulted in rise of revenue without a corresponding increase in drunkenness. It is difficult to say whether all these causes suffice to explain the remarkable rise in our Excise revenue that has recently taken place, or whether the increase is partially due to the drink habit penetrating deeper into the masses of our urban and village population. One fact however can be contemplated with satisfaction in connection with this subject and it is the graduation reduction in the number of shops year by year as shown below:—

1910-11	4,151
1911-12	4,114
1912-13	4,084
1913-14	4,000 (approximate)

27. *Interest.*—The improvement in the revised estimates over the budget under the group *Interest* amounts to 4,96. This is the net result of two opposite factors. Under interest on loans and interest on arrears of revenue there is a falling off of 1,04 from the budget chiefly owing to less recoveries on account of loans to encumbered jahgirdars and to agricultural banks. Against this there is the large improvement of 6,00 under *Profit or Loss.* About two-thirds of this increase is only nominal being due to realisation during the year of amounts appertaining to the previous year. But the remaining third represents a real advance over the budget due to new investments and also owing to the fact that the condition of the money market enabled us to use our cash balances for earning interest to a greater extent than was anticipated.

28. *Railways.*—To prevent undue inflation of both the receipt and expenditure sides of our budget, it is our practice to show on the receipt side, not the gross earnings of our state railways, but only the net earnings after deducting the working expenses and the share of profits payable under contract to the working agency. The net earnings of the current year were taken in the budget at 14,50 but this figure now stands revised to 16,90, showing an advance of 2,40 over the budget. This favourable result is due to the gross earnings having been considerably higher than anticipated. The working expenses also rose but to a less extent and the net receipts were consequently higher.

29. The working company placed the budget estimate of gross revenue from the Mysore state railways for the current year at 34 lakhs. This was found to be low in the light of the revised estimate for 1912-13 and the growing character of this revenue and it was accordingly raised to 36 lakhs. The actual result is expected to exceed even the anticipation formed at budget time and the revised estimate of gross revenue for the current year is placed at 42 lakhs.

30. The large increase is both on the broad and metre gauge sections and under both coaching and goods. There was general improvement in passenger traffic all throughout the year due, perhaps, to less prevalence of plague in many parts of the State, and to an exceptionally busy marriage season. The Dasara at Mysore attracted a large number of people in October 1913, while His Excellency the Viceroy's visit added appreciably to the earnings from passenger traffic during November 1913. The feast at Pandharpur in the month of November 1913 and the movement of troops from Bangalore to Rajankunte and Dodballapur for the camp of exercise in the same month were also causes that increased the revenue from coaching traffic.

31. The increase under goods on the broad gauge was due to large consignments of timber and coal for the Kolar gold mines in July and November 1913 and February 1914. On the metre gauge it was due to large exports from Davangere of cotton and cotton seeds to Bombay in October 1913, and of ragi and groundnuts to stations on the South Indian Railway, in December 1913. The booking in October and December 1913 of jaggery and sugar from Bangalore and Tiptur within the State and from Dodballapur to stations on the Great Indian Peninsula Railway were also heavier than in the previous year. The traffic in paddy and rice booked from Mysore and Tumkur to stations on the South Indian Railway was brisk during November and December 1913. The booking of manganese ore from Shimoga to Marmugoa harbour fluctuated greatly from month to month. The bookings had to be suspended during August owing to labour difficulties. By November the tonnage of consignments rose so as to materially enhance the goods receipts; but in January the export traffic again declined and in February there were no consignments.

32. Taking the actual working expenses for the months for which they are available and the probable working expenses for the remaining months, it is expected that the total working expenses for the year will amount to 24,37. Of the balance, one-twentieth (subject to some adjustments) has to be paid to the Company as its share of surplus profits, and making allowance for this, the revised estimate of net revenues from Railways will stand at 16,90.

33. *Cauvery Power Revenue.*—In previous years it has frequently been my good fortune to record substantial increase of revenue under the head Cauvery power scheme, due in some measure to fresh power and lighting installations, but chiefly to the stoppages of power supply on account of the deficiency of water in the Cauvery and for other reasons being few and of short duration. This year there is no appreciable increase to record, the revised estimates for 1913-14 being 17,12 against 17,06 as per accounts of the previous year. This result is chiefly due to the necessity of granting rebates to the Kolar gold mining companies in terms of contracts with them for deficiency of power supply. I have already pointed out that the north-east monsoon rains, which in and round about Mysore should be distributed throughout the months of October, November and December, practically exhausted themselves by the first half of October in the current year, and from 18th October onwards the Cauvery catchment had practically no rain. As a consequence, load had to be taken off from the power works at Sivasamudram from about the middle of March and rebates had to be granted.

34. The amount of rebate actually allowed to the mining companies for March, April and May aggregates about 1,38. The rebate payable for June will also be heavy being about 70 or 80. It may be mentioned, however, that this does not seriously affect the receipts for the current year, as the demand for the last two or three months will be paid and adjusted in the accounts of the next official year. It is the figure in the budget estimates for the ensuing year that will be materially affected by these circumstances.

35. *Mining Revenue.*—This temporary shortage in the power supply is not likely to cause any material reduction in the output of gold to the end of the current

year. In fact the output from January up to the end of April shows an increase of 470 ounces over that for the corresponding months of 1913. There is therefore no reason to doubt that the estimate of 19,00 under *Mining Royalty and Leases* will be realized.

Expenditure.

36. We shall now turn our attention to the pay counters of our treasuries and examine how far the operations there during the current year have been in accordance with budget anticipations. The liberal provisions for the year under the various service heads, excluding special grants for capital expenditure, aggregated 248,45. The figure now stands revised to 237,23 as the net result of lapses and savings in some departments and excess expenditure in others. The more important items of fluctuation are :—

	Lapses and Savings (In thousands)		Excess Expenditure (In thousands)
Land Revenue	72	Forest	42
Charges against Mining Revenue ...	14	General Administration ...	1,91
Palace	44	Courts of Law	19
Jails	15	Police	11
Education	2,40	Pensions	13
Medical	49	Stationery and Printing ...	12
Scientific and Minor Departments ...	31	Civil Works	93
Miscellaneous	4,15		
Army	73		
Miscellaneous Railway Expenditure...	1,29		
Major Irrigation	93		

37. The saving of 72 under *Land Revenue* is chiefly contributed to by the minor heads Charges of district administration (60) and Revenue survey and settlement (11). The decrease in the former is caused by savings in salaries and establishments, due in some measure to the new scale for shekdars not having been fully brought to effect, and to lapses in some of the grants for supplies and services. The lapse of about 11 under Revenue survey and settlement is on account of savings in establishment for which a lump sum grant of 90 was made in the budget.

38. The saving of 14 under *Charges against mining revenue* is in the charges transferred from the Geological department in which there has been a decrease of expenditure owing to the appointment of the 2nd State Geologist being vacant and one of the Assistant geologists being deputed for other duty. Under *Palace*, the revised estimate stands at 22,96 against 23,40 in the budget, as some of the smaller pensions have not been fully adjusted. In respect of *Jails* the net decrease of 15 is due to the lapse of provision for introducing khaki weaving industry and for manufacturing weights and measures, counterbalanced to some extent by an excess in the dietary charges of prisoners.

39. The expenditure in the Education department is expected to be 2,40 less than the budget chiefly owing to the special grants for opening new and improving existing schools and for technical education not being fully utilized. There is also a decrease of 21 under Government colleges, on account of savings in the salaries of professors on account of vacancies, in the salaries of masters and mistresses in the Maharani's girls' college and in the lump grant for botany laboratory in the Central college. Some savings on the budget are also expected in the Book depot and under Grants-in-aid. Under *Medical* the lapse of 49 is chiefly under Medical Establishment (20) and Sanitation and Vaccination (28). The decreases in the two cases are due to savings in the salaries of Assistant and Sub-assistant surgeons, and in the grant for plague charges, respectively. In the Scientifie and minor departments there were two vacancies in the gazetted geological staff, and the grant under Archæology for preparing a monograph on Chalukyan buildings is not likely to be fully utilized. Small savings are also expected in the provisions of the Agricultural and Industries departments,

40. The large saving of 4,15 under *Miscellaneous* is only apparent, because there was a lump sum provision of 5,00 in the budget under this head, but the expenditure incurred out of this sum has been classified under the appropriate heads of account. This fact also explains many of the excesses over sanctioned grants in respect of the latter heads. Under *Army*, the saving of 73 is contributed to by all the branches excepting the Local service regiment, Palace military and Kunigal

farm. In the Imperial service regiment there are savings in pay and good conduct allowances; in the Barr or Infantry there is lapse under non-commissioned officers and men and in respect of the special grant for purchase of rifles; and in the Imperial service transport corps there is less expenditure under salaries and establishments, and in the grants for converting pony carts into bullock ones and for the purchase of bulls. There will also be savings under the grass farms at Hessarghatta and Nadamavinapura. Against these savings there will be an increase over the budget under Palace military, in consequence of the increased contract grant sanctioned from this year on account of improvement to His Highness the Maharaja's body guard. The grants under Local service regiment will be fully worked out.

41. The saving of 1,29 under *Miscellaneous railway charges* is due to the fact that a considerable part of the charges on Direction and Accounts incurred during the year, has been transferred to the capital accounts of the several railways under construction in proportion to the work done for them. It has also to be remembered that survey charges are, in the first instance, treated as miscellaneous railway expenditure; but as soon as construction is taken up, the cost of all surveys is transferred to the capital account by relieving the head *Miscellaneous railway charges.* This head also gets relief by the recovery of mileage and Government supervision charges in respect of district board and companies' railways.

42. The lapse of 93 under *Major Irrigation* (excluding capital grants) was due to difficulty in securing labour for some of the works included in the programme. There is a corresponding excess of 93 under *Civil Works* from which it will be seen that this lapse in the Irrigation budget has been utilized for buildings and miscellaneous improvements. There having been a tendency of late to utilize money provided in the budget under irrigation for other kinds of public works, Government have recently laid down that, in reappropriating funds in future, the Public works department should not transfer funds from Irrigation to other heads.

43. Of the excesses over budget grant under the several major heads, those under *Forest* and *General Administration* are only apparent as the provisions for khedda charges and entertainments, were included in lump under *Miscellaneous* while the expenditure has been shown in the accounts under the appropriate service heads. Taking these grants into account, there has been no excess under either head. The excess of 19 under *Courts of Law* is due to the new system of paying remuneration to copyists and copy examiners in courts which has come into force with the introduction of stamped copying papers. Under this system the amount paid by the parties for copies is collected as revenue under stamps and the expenditure for making out copies has to be shown as expenditure under *Courts of Law.* The budget estimate under *Superannuation allowances* is framed on the basis of pensions in force at the beginning of the year in the expectation that lapses and new sanctions will balance one another. The excess of 13 in the revised over the budget shows that during the year under review the equilibrium was not maintained but that new sanctions exceed lapses. The increase of 12 under *Stationery and Printing* means more money spent on printing paper and stationery for the expanding public departments, and more types and materials and establishment charges for a nevertheless groaning printing office.

44. One of the most important measures affecting the expenditure side of the budget promulgated by Government during the current year is the Village Improvement Scheme. This scheme was foreshadowed by you, Sir, in your address to the Representative Assembly in October last in the course of which you observed:

"The village forms a convenient unit for purposes of economic effort, for taking stock of progress at the beginning and end of a year. If each village shows a little improvement, from year to year, the collective result will be large..... Every village should show some public improvement or other as the result of the collective effort of its inhabitants at the end of each year.....And as the great bulk of the population live in villages, any effective organisation to improve village efficiency cannot fail to make a potent addition to the life force of the people and the productive power of the country."

Under this scheme which was formally sanctioned by Government in February 1914, a sum of at least two lakhs per annum will have to be provided in the budget for some years to come for grants-in-aid to the village improvement funds.

45. When the budget estimates for the current year were under consideration, a number of proposals for departmental reforms and reorganizations were pending before Government, and a lump sum provision was made under the head *Miscellaneous*, so that such of the schemes as might be sanctioned during the year could be given effect to at once, without waiting for the allotment of funds in the budget for the next year. The procedure was not strictly in accordance with financial rules and was adopted in the very exceptional circumstances of the case *viz.*, that an unusually large number of proposals, some of which were of a really pressing character, happened to be simultaneously before Government. The lump sum provision made, including the allotment for special entertainments was 5,00. In reply to a question in this Council on the 14th April 1914, I placed on the table a statement showing appropriations out of this grant as they stood on that date. I take this opportunity of appending a final statement showing how that grant has been utilized :—

Item sanctioned	Amount debitable for the current year.
	Rs.
(1) Revision of the Police department (from October 1913) ...	49,843
(2) Revision of the establishment of the Comptroller's office ...	4,500
(3) Revision of the scale of establishment in the Channapatna Industrial School	20,609
(4) Special grant on account of entertainments	2,85,000
(5) Village Improvements	80,000
(6) Malnad Improvement Scheme	45,000
(7) Reorganization of the Agricultural department	8,000
(8) Temporary records sorting Establishment of the General and Revenue Secretariat	2,000
(9) Special improvements to the Cubbon Park	3,500
(10) Efficiency Audit department	1,500
Total ...	4,99,952

Special Capital Grants.

46. We shall now compare the budget provision and the expenditure according to the latest revised estimates, in respect of the several items of special capital work. The figures are—

	Budget grant.	Revised estimate.
Cauvery reservoir works	30,40	19,70
Fourth Installation, Cauvery power scheme ...	13,05	8,50
New Railway lines	15,00	8,83
Bangalore tramways	6,65	65
Total ...	65,10	37,68

47. The estimate for the Cauvery reservoir project, as now under execution, is 81 lakhs. The outlay up to the end of June 1913 was 23,20. For the current year a sum of 30,40 was provided for, but a sum of 19,70 only is likely to be spent, bringing up the outlay up to the end of the current financial year to 42,90. Some points relating to the grant of land compensation have yet to be settled, and payments under this head did not therefore reach the expected figure during the current year.

48. As regards the Fourth installation of the Cauvery power scheme, the surrender amounts to about 4,55 out of a grant of 13,05. About two lakhs of the surrender is due to the building operations at the Kolar Gold Fields having been deferred during the current year and the reconstruction of the transmission lines having been taken up late. The former work is held in abeyance as

it has not yet been finally decided whether double transformer stations will be really necessary and only about half the latter work is expected to be completed by the end of this year. The work in connection with the supply channels and additional buildings required at Sivasamudram is expected to be practically complete by the end of the current year. As regards generation machinery, some of the required plant have already been received and the remaining ones are expected before the close of the official year. A sum of ·40 is however resigned under this head for such of the items as may remain over for next year. Under the head distribution plant, the step-down transformers and other materials for works in the Kolar Gold Fields are not expected to be received during the current year. Hence a sum of 2,10 is surrendered under this head. It will be seen that the bulk of the surrenders is on account of buildings and distribution plant at Kolar, all the other parts of the scheme being expected to be complete or nearly so by the end of the current year.

49. The original estimate for the Bangalore tramways was for 6,75; but during the year it had to be revised, and the estimate as recast aggregated 8,55. The Government were not prepared to accept so high an estimate and the work could not in consequence be taken up. Further inspection, ordered by Government, of the existing tramway systems of the principal Indian cities was concluded in April last and a fresh revised estimate recently prepared by the Chief Electrical Engineer is now under the consideration of Goverenment. As a final decision in respect of this project cannot be arrived at during the current year, the entire grant less a small outlay of 65 will lapse. This expenditure is in connection with survey charges and purchase of materials for the car barn.

50. The grant of 15 lakhs for construction of new lines provided in the budget for the current year was intended to be roughly spent as follows:—*Viz.*, 10 lakhs for the Mysore-Arsikere Railway, 2 lakhs for the Tarikere-Yedahalli Tramway, and 3 lakhs for the Bangalore-Hosur Railway. As a matter of fact only a sum of 8·83 is likely to be spent during the year, *viz.*, 2,83 for the Tarikere-Yedahalli Tramway and 6 lakhs for the Mysore-Arsikere Railway. The progress of work in respect of the Tarikere-Yedahalli Tramway is thus satisfactory and the line is expected to be ready for opening within a few weeks of this date.

51. As regards the Mysore-Arsikere Railway, operations are going on at a satisfactory rate in the two construction divisions that have been formed and no considerable lapse is expected in the grant for works. But there was some delay in settling the exact method of procuring Europe stores and an indent for permanent way material and locomotives was sent in the final form only in the middle of February. A sum of about 4,00 has therefore been surrendered under this head.

52. The construction of the Bangalore-Hosur line could not be taken up during the year and the whole provision for it will lapse. When the question of this railway was taken up early in 1913, the intention was to make use of the survey and estimates prepared for the line by the late Madras Railway Company during 1906, except for a few miles from Hosur, for which a re-survey was necessary, owing to a change in the original alignment adopted by the South Indian Railway Company near Hosur. This re-survey could have been completed and the sanction of the Government of India obtained to the commencement of construction work in time to spend the current year's grant for the work. But no sooner were survey operations commenced near Hosur than petitions began to pour in from the inhabitants of Bangalore and Anekal taluks, one party representing that the line should follow the imperial road between Bangalore and Hosur *via* Attibele and Chandrapura, and the other party advocating the advantages of a route *via* Bannerghatta and Anekal. The President, City Municipal Council, Bangalore and the Taluk Board, Bangalore supported the former representation while the District Board of Bangalore and the Taluk Board of Anekal supported the latter. As no unanimity could be arrived at on the point, alternative estimates were prepared for both the routes. This naturally led to considerable loss of time and the estimates could not be submitted to the Government of India and sanction obtained in time to commence work this year.

Summary.

53. The net savings and lapses in the service head portion of the budget being 11,22 and those in the capital grants 27,42 the total expenditure as per revised estimates is less by 38,64 than the budget amount. Thus instead of 313,55 the actual expenditure is expected to be 274,91, *viz.*, 237,23 under service heads and 37,68 for large productive works. Of the expenditure under service heads amounting to 237,23 the percentages as per various distinct classes of expenditure are—

Civil Departments and pensions	31·57
Army and Defence	21·00
Refunds and charges incidental to revenue collection	15·69
Public Works	12·14
Palace	9·68
Interest	4·83
Cauvery Power Scheme	3·32
Miscellaneous	1·77
Total	100·00

54. The budget for 1913-14 excluding special grants for capital expenditure, was framed for a surplus of 8,72. In the revised estimates this stands increased to 80,07. An analysis of this improvement of 71,35 is given below:—

Accumuluated surplus revenue of the Civil and Military Station, Bangalore	30,00
Increase in Forest revenue	11,14
Do Excise	8,84
Do Other revenues	10,15
Saving in expenditure	11,22
Total	71,35

It will thus be seen that the apparently large variation is due to a few items which could not be foreseen at budget time and that the general estimating both on the revenue and expenditure side was fairly accurate.

55. The result of the year about to close has thus exceeded our expectations. The fluctuations both ordinary and special have been on the right side, excess in the case of revenue and saving on the side of expenditure, with the result that we are considerably better off at the end of the year than we expected. But before taking leave of the year which has thus more than fulfilled its promise as regards the level of our balances and the strength of our financial position, we shall briefly examine whether it has kept pace with its predecessors in the matter of expansion and development. For this purpose I have analysed our revenue and expenditure figures for the last three years into ordinary and special as in the subjoined statement:—

Revenue and Receipts.

	Ordinary.	Special.	Total.
1911-12	250,90	...	250,90
1912-13	276,06	...	276,06
1913-14 (Revised)	287,30	30,00	317,30

Expenditure.

	Service heads.	Capital outlay.	Total.
1911-12	224,99	7,02	232,01
1912-13	223,73	17,05	240,78
1913-14 (Revised)	237,23	37,68	274,91

It has to be remembered that the service head expenditure for 1911-12 includes Delhi Durbar charges to the extent of 4,94. The figures speak for themselves and no comment is needed.

Budget Estimates, 1914-15.

GENERAL REMARKS.

56. Having briefly studied the forces acting on the field of our public finance during the current year, and examined the extent to which they have affected the budget estimates for 1913-14, we can now proceed to examine how our programme is likely to stand under the operation of these forces during the year which is now peeping on us from behind the veil of futurity. It must be abundantly clear to us all that the trend of these forces has not only been simple forward motion, but forward motion with acceleration; the aim has been not only to advance but to push forward as fast as possible under the circumstances of the case. Taking the aggregate expenditure of the state as a rough index of its useful activity, we have seen how the revised estimates for 1913-14 amounting to 274,91 show a great advance over the actuals of 1912-13 which aggregated 240,78. The budget estimate for the year 1914-15 now placed before you providing for a total expenditure of 358,63 indicates a greater advance on the revised estimates for 1913-14. Translated from the language of figures to plain words this means that the programme for the ensuing year not only provides for maintaining the standard already attained, but aims at higher efficiency and increased activity in many directions.

57. The provisions for capital expenditure not charged to current revenues in the estimates for 1914-15 aggregate 95,17 as shown below :—

Cauvery Reservoir Project main works	29,00
Do subsidiary works	8,50
New Railway lines	46,00
IV Installation, Cauvery Power Scheme	5,67
Bangalore tramways	6,00
... Total	95,17

The provision of 29 lakhs for the Cauvery Reservoir, if it can be fully worked out during the year, will bring up the total outlay to 71,90 against an estimate of 81 lakhs. This stage will thus be approaching completion by June 1915. It is expected that by that time the dam will be raised to 62 feet above bed level and the capacity of the reservoir at that level will be 4,000 million cubic feet. The provision of 8,50 for subsidiary works connected with this project includes the following grants :—

Work	Total estimate.	Allotment for 1914-15.
Opening low level canals from the Cauvery Reservoir ...	2,50	1,00
Improving and extending Hemagiri Channel ...	1,54	50
Do Mandagiri Channel ...	6,50	3,50
Opening Chamaraj Right Bank Channel	14,00	3,50

These works are mostly necessitated for settling the raiyats who will be drowned out by the construction of the reservoir.

58. The distribution of the sum of 46,00 provided for the construction of new railway lines during the ensuing year will be explained in the section on Railways. Of the provisions of 5,67 and 6,00 made under *IV Installation Cauvery Power Scheme* and *Bangalore Tramways* there is practical certainty in the former case and reasonable probability in the latter, of the works being completed during the ensuing year and the grants utilized nearly to the full extent.

59. Large as these grants for capital outlay may appear, they have not been provided at the expense of the permanent departments of the state. Reform and development are written large over the budget estimates of many of them. Increased provisions appear under *General Administration*, *Courts of Law*, *Police*, *Education* and *Agriculture*, on account of improvements effected in those departments during the current year. Besides these there are provisions in the budget appertaining to measures which are to come into effect during the ensuing year. The most important of these are the special grants aggregating over four lakhs to the Education department for opening public libraries and starting new aided schools, for introducing compulsory education in certain selected parts of the State,

for village elementary school buildings, for better and more extensive training of teachers and for various other purposes connected with the spread of education. The special allotments made for the Agriculture and the Industries and Commerce departments include provisions for improved jaggery manufacturing plant, establishment of a dairy and breeding station in connection with the Agricultural school and the opening of two new experimental farms one in the malnad and the other in the Chitaldrug district. Under Economic conference, liberal provisions have been included for sericulture and for propagandistic work. The malnad and village improvement schemes have been adequately provided for by grants of one and three lakhs respectively, the latter including a grant of one lakh for sinking wells in villages. To supplement the funds raised by certain municipalities for financing water-supply schemes a provision of 70 is made for grant-in-aid to these municipalities. In addition to these large grants the budget includes provisions of smaller amounts for starting new works and effecting improvements in almost all the departments of the state, and these will be referred to later on under the respective heads.

60. In the service head portion of the budget for 1914-15, the revenue for the year is estimated at 284,92. Against this the expenditure is expected to stand at 263,46. This leaves a surplus of 21,46. The special expenditure on large capital works amounting to 95,17 has not, however, been included in these figures. Including these special items the total expenditure for the year comes up to 358,63 and the excess of total expenditure over current revenue comes to 73,71.

61. The net revenue from the Mines, the Cauvery Power Scheme and Bethamangla water-works, *i.e.*, the receipts after allowing for all expenditure directly or indirectly appertaining to these heads is estimated in the budget at about 28 lakhs thus:—

Gross Mining Revenue	19,00		
Deduct: Charges	*2,40*		
Net Mining Revenue		16,60	
Gross C. P. S. Revenue	17,58		
Deduct: Charges	*8,26*		
Net Power Revenue		9,32	
Net Water Revenue, say...		2,00	
Total Net Revenue from the three sources		27,92	
		or say 28 lakhs.	

It has also to be noticed that, out of the item of 13,43 included on the receipt side on account of surplus revenue of the Bangalore Assigned Tract, a sum of about 12 lakhs has to be regarded as accumulated arrears; and if an allowance on this account is made, the real surplus, on the basis of the standards of revenue and expenditure taken for 1914-15, will come to 9·46 lakhs.

Revenue.

62. While framing the revenue estimates for the ensuing year, the unfavourable seasonal and agricultural conditions of the current year have to be borne in mind. The partial failure of the staple crops in some parts during the current year did not indeed cause anything approaching distress; but the raiyats' reserves have been depleted to some extent. With his strained resources the poorer agriculturist may not be able to meet his demands in full, if the effects of another bad season are superposed. But though there is need for caution, there is so far no cause for alarm. The prospects of the season are reported to be fair in the majority of the districts and it does not appear unsafe to base our estimates on average conditions of agriculture and trade. On this basis the aggregate revenue for the year has been estimated at 271,49 against 287,30 in the revised estimate of 1913-14 and 276,07 in the accounts of 1912-13. It should be noticed that, in this comparison, the figures relating to the surplus revenues of the Bangalore Assigned Tract have been omitted in both the budget and the revised.

63. We have assumed average seasonal and agricultural prospects because we are only at the commencement of the south-west monsoon period and there is

as yet no reason to despair of fairly favourable conditions. The hot weather precipitation of rain in March, April and May of the current year has indeed been quite insufficient, the provincial average of rainfall on 20th June 1914 being only 4·09 inches against 9·18 inches, the average of the past ten years. On that date 74 out of 77 taluks and sub-taluks of the State reported deficit in rainfall. The south-west monsoon arrived on the Malabar coast on the 4th June which is about the usual date, and in Bangalore it arrived on the evening of the 4th in the heel of a dust storm. It spread over the whole of the Mysore country by the 6th. But the actual rainfall during the first three weeks of the monsoon is much in defect of the average. Regarding the prospects of the south-west monsoon rainfall of 1914 in Mysore, the Director-General of Indian Observatories infers that the effect of the high pressure in India in May is distinctly advantageous to Malabar and less so for Mysore. The outlook indeed is not very bright but there is no reason as yet to lose heart and the prospects are such as to justify estimating on the basis of average conditions with reasonable caution.

Principal heads of revenue.

64. In these circumstances the estimate of land revenue collections has been placed at 106,40 against 105,00, the revised estimate for the current year. The increase is chiefly under *Assessment on lands* owing to expected expansion of cultivation and to the introduction of revised rates of assessment in two taluks in the Shimoga district. It is also hoped to reduce to some extent the outstanding arrears. The arrears of land revenue left uncollected at the end of each year for several years past are given below:—

1908-09	24,61
1909-10	20,42
1910-11	15,55
1911-12	11,85
1912-13	11,99
1913-14 (Revised)	11,70

It is seen from these figures that during the last three years there has been no appreciable reduction in the amount of outstanding arrears. Judging from the standard of collection in other parts of India and in Mysore itself some time back, it is reasonable to hope for a substantial reduction in these outstandings.

65. Under *Forest*, the revenue suddenly leapt up from 22,06 in 1911-12 to 32,94 in 1912-13 and a considerable part of this rise is likely to be maintained in the future. The revised for the current year including the exceptional item of khedda receipts amounting to 1,30, stands at 33,14, which indicates, under the ordinary heads, only a slight set back from the standard of the previous year. Pending however the settlement of revenue under this head fairly stably at the higher level of these two years, a certain amount of caution in estimating is justified and the budget for 1914-15 has been placed at 28,20. This figure has been arrived at on the basis of a conservative estimate of the quantity of sandalwood expected to be placed on the market, so that the favourable rates of the last two years may be maintained. An addition of three lakhs is also anticipated in the next year from departmental timber operations, on account of the supply of sleepers to the State Railway construction department.

66. For reasons which I have already explained when dealing with the revised estimates, the budget estimate under *Excise* for 1914-15 has been placed at 46 lakhs. Some may consider this as an under-estimate in the light of previous actuals, but I should hesitate to make our financial system depend more and more every year on an excessive and rapidly increasing revenue from Excise. I would rather frame the budget with a moderate and normally expanding revenue from this source and treat the extra realizations, if any, as fortuitous receipts. The policy is, that we want to increase the revenue, as far as possible, by preventing illicit distillation and illicit tapping, by taking reasonable advantage of increasing competition amongst capitalists who make a profit by licensing and renting shops, and by taxing the man who must drink under any circumstances. But we do not want an increase of revenue by increased consumption; and though we cannot fight against economic laws and change all on a sudden the trend of certain phases of human nature, we should try to keep in our budget an element of elasticity about

the Excise revenue, which will make it possible for us to view a reduction of consumption of intoxicating liquors and drugs amongst the population, with humanitarian pleasure and gratification and without any financial embarrassment.

67. Of the other ordinary heads under this group only the estimate under *Stamps* requires special notice. The actuals for 1912-13 under this head were 9,41 and the revised estimate for the current year stands at 10,30. The increase in the revised estimates being fairly evenly distributed amongst the several sub-heads, the most important of which are general stamps and court-fee stamps, the rise in this revenue may be held to have been due to normal expansion and the budget is consequently placed at 9,75. The introduction of stamped copying sheets for granting copies in courts was introduced about the end of 1912-13 and it was then estimated that the sale proceeds of these sheets may aggregate 16. The revised estimate of 41 under this head indicates, however, that this was under estimated in the budget for 1913-14. A sum of 30 has therefore been included in the budget for 1914-15 as the probable receipts from these copying sheets during 1914-15. The receipts from this new source are not real additional income as, against them, there will be corresponding expenditure in the shape of remuneration to copyists and copy examiners which is incurred by all courts in the state.

68. A word of explanation is necessary as regards the estimate under the new head *Surplus Revenue of the Bangalore Assigned Tract.* This amount includes the sum of about 9,23 due as per accounts up to the end of the year 1910-11, and also a rough estimate of the amount for the three years which have elapsed since then. In the absence of a better guide the average annual surplus for the whole period since the assignment of the tract has been taken as the basis of calculation in respect of these three years. As the Government of India have been pleased to agree to an annual adjustment in respect of this item, provision on this basis will be made in the budget estimate of future years unless some more definite data are forthcoming at budget time.

Other heads of revenue.

69. The out-put of gold from the Kolar Mines during 1911-12 and 1912-13 was valued at 322,08 and 323,78 respectively and the revenue under *Mining Royalty and Leases*, which comes practically wholly from this source, amounted during these years to 19,19 and 19,36 respectively. The revenue from this source for the ensuing year has been placed at 19,00 as there is no reason to anticipate any falling off in the standard of out-put attained. Reports for the year 1913 show that the development operations during the year were fairly satisfactory and the reserve of ore on 31st December 1913 on most of the important mines was greater than that on the corresponding date of the previous year. On the property of the Mysore Gold Mining Company, the largest and most prosperous on the fields which paid last year, over 43 per cent of the total government royalty from the Kolar fields, against 302,662 tons of quartz crushed during the year 1913, the reserve of ore on the last day of the year was reported to be as much as 1,337,998 tons.

70. The receipts under the head *Interest* is a direct index of the extent of the State's interest-earning investments in the shape of loans and securities ; and the fact that the standard of this revenue has steadily risen year by year from 5,67 in 1908-09 to about 14 lakhs at the present time shows that our investments have more than doubled during the period. This increase is not the result of a scheme of permanent hoarding on a large scale; it only represents a temporary phase in the financial working plan by which a part of the mining and attendant revenues is saved for being spent on productive and beneficent works of a permanent character. "How much does this contain?" asked some one pointing to the Comptroller's safe in the State Huzar Treasury knowing that it contained the bulk of the State's investment papers and expecting to hear in reply a figure in crores and lakhs. "It contains a reservoir capable of irrigating 150,000 acres, 400 miles of railway, an electric installation of 6,000 H.P. and some other miscellaneous little things" was the unexpected and amusing answer. This reply truly represents the character of the bulk of our investments. Hoarding in the ordinary sense is foreign to our financial policy; and the time will come, sooner or later, when, beyond a moderate liquid reserve for meeting sudden emergencies, all funds which

we can save or our credit can secure will be utilised for developing the country. In the meantime all our savings are invested only in first class securities; and steps have been recently taken to introduce variety in the form of our investments so that a considerable amount can be realised at a moment's notice without considerably disturbing the market in respect of any particular kind of paper.

71. In the group "Receipts by Civil Departments" there are only a few points deserving notice in the estimates of the ensuing year. Under *Jails,* as weights and measures in accordance with the rules sanctioned in 1911 under the Mysore Weights and Measures Regulation are expected to be manufactured at the Central Jail in Bangalore during the ensuing year, the receipts are expected to be 7 more than the revised estimate of the current year. Under *Police* there is a slight rise on account of contributions for policing from the Bowringpet-Kolar Railway, and also from the Kolar Gold Fields Railway, administrative jurisdiction over the lands occupied by the latter line having been transferred to the Government of His Highness the Maharaja during the current year. A small income is also expected on account of fees for license and registration of motor cars in the State to be levied under the new regulations. The receipts under *Education* have been moderately estimated at 1,76 against 1,77 the revised for the current year and 1,64 the actuals of 1912-13. Under *Scientific and other minor departments* the budget figure for the ensuing year is 86 against 1,07 in the revised estimates and the reduction is chiefly under Veterinary and Stallion receipts owing to less realizations being expected from the sale of Amrut mahal bulls than in the current year.

72. The receipts under the group "Miscellaneous" are at the normal level and call for no remarks. The same might be said of the group "Military Receipts," but for an estimate of 33, against 24 in the revised estimate and 20 in the accounts for 1912-13, under Kunigal Stud Farm, owing to the expectation of larger realisations from sale of foals. As regards Public works receipts the only interesting fluctuation in the estimates for the ensuing year is in the sum of 58 under excess water rates expected to be realised in Mysore and Bangalore cities. The realisations under this head in the two preceding years were 71 and 70 respectively and the lower estimate for the ensuing year is due to a part of the out-standing arrears having been cleared off.

Railways.

73. *State Railways—Open Lines.*—It is a gratifying feature of our finances that the net income from railways is, year by year, becoming an important factor of the revenue side of the budget. For the ensuing year, on the basis of average condition of trade and agriculture the net railway earnings are placed at 15,00. The way in which this figure is worked out is shown in the following statement in which the figures for the two preceding years also are given for purposes of comparison:—

	1912-13 Accounts. Rs.	1913-14 Revised	1914-15 Budget
Gross earnings	37,21,685	42,00	38,00
Deduct: Working expenses	*19,95,302*	*24,37*	*22,23*
Surplus profits payable to the working agency	*99,394*	*73*	*77*
Net receipts	16,26,989	16,90	15,00

The estimate of gross receipts follows the actuals of 1912-13 rather than the revised estimate for the current year which may turn out to be exceptional. The working expenses are worked out on the basis of a percentage of 58·5 on gross earnings which is rather high but which has been adopted for budget purposes on the basis of actual results of previous years.

74. The capital expenditure for improvement of the State open lines provided for in the budget estimates for 1914-15 amounts to 3,58. The more important works under the head are these:—

Substitution of 60 lbs for 41¼ lbs rails for 100 miles metre-gauge ...	75
Improving signalling arrangements at road-side stations between Harihar and Bangalore and at Marikuppam	45
Fixing Roberts Key Staff Instruments from Kengeri to Mysore and Yesavantapur to Dodkurgod	14

Improving watering arrangements at Banasandra and Bidadi, Harihar, Arsikere and Shivani	30
Extending III Class waiting-room at Seringapatam and the Indian refreshment-room at Harihar.	5
Improvements at Davangere and on some of the Kolar Gold Fields Stations and level crossings	23
Fitting 22 bogie thirds and 15 four wheeled thirds with latrine accommodation.	13
Three additional bogie thirds and two additional brakevans	22
Thirty covered goods waggons	78

It will be seen that almost all the important works are such as lead to greater safety and convenience of the public who make use of the railway.

75 The net profit to the state from the working of open lines, after deducting all charges and interest on both state and borrowed capital at 4 per cent, is worked out in the subjoined statement :—

	Actuals, 1912-13	Revised, 1913-14	Budget, 1914-15
	Rs.	Rs.	Rs.
Net receipts	16,27	16,90	15,00
Deduct—			
Interest on loan	7,17	7,20	7,20
Direction and Accounts	15	18	20
Total ...	*7,32*	*7,38*	*7,40*
Profit	8,95	9,52	7,60
Capital outlay by the State (exclusive of loan amount)	88,04	90,55	93,04
Interest on the above at 4 per cent	*3,52*	*3,62*	*3,72*
Net Profit	5,43	5,90	3,88

76. The percentage of net receipts on total capital outlay in respect of the Mysore State Railways is worked out below. Taking the figures for 1912, the latest year for which information in respect of all the lines is available, we find that this percentage varied from 1·17 to 11·86 over the different metre gauge systems in India. It will therefore be seen that, if metre-gauge railways in India be divided into three classes, good, fair and bad, in respect of earning capacity, the Mysore system with its percentage between 6 and 7 may be placed in the middle class.

	Actuals, 1912-13	Revised, 1913-14	Budget, 1914-15
	Rs.	Rs.	Rs.
Gross Receipts...	37,22	42,00	38,00
Deduct—			
Workng expenses (not including percentage of profits paid to the Railway Company)	*19,95*	*24,37*	*22,23*
Net Receipts ...	17,27	17,63	15,77
Total Capital Outlay ...	252,87	254,38	256,87
Percentage of Net Receipts on Total Capital Outlay ...	6·83	6·93	6·14

77. *State Railways—Construction.*—The provision made in the budget estimates for the ensuing year for the construction of new lines is 46 lakhs and it is proposed to distribute the amount over the several works in this way :—

State Lines.

Mysore-Arsikere Railway	30,00
Tarikere-Yedahalli Tramway	0,50
Bangalore-Hosur Railway	5,50
Total ...	36,00

Guaranteed or Subsidised Lines :—

Kolar-Chikballapur Railway and Bangalore-Chikballapur Railway ...	9,00
Shimoga-Tirthahalli-Sagar	1,00
Total ...	10,00

As regards the Mysore-Arsikere line plate-laying will be in progress from both ends during 1914-15 and it is hoped that about half the whole work will be completed. A part of the rolling stock will also be got ready. The line will be opened for goods traffic between Mysore and Belagola station for the Cauvery Reservoir and passengers will also be probably carried on that section before the end of the ensuing year. There is therefore every likelihood of the grant being fully used up. The Tarikere-Yedahalli line will be complete and in full working order from an early part of the next year. The revenue estimates of this railway for gross earnings, working expenses and net earnings to the extent of 39, 22 and 17 respectively when sanctioned by Government will be incorporated in the budget estimates. All work prior to the construction stage is complete in respect of the Bangalore-Hosur Railway and there will be no difficulty in working out the grant provided for it, if sanction to begin work is received early.

78. *Guaranteed and other Railways—Open lines.*—For convenience, I shall deal in this section, rather than in the section on local funds, with the Railway transactions, of our District Boards which are so far the only local bodies in the State financially connected with railway or tramway questions. To the Kolar District board belongs the honor of being first in the field in this respect. The Bowringpet-Kolar Railway was opened on 15th December 1913, when His Highness the Maharaja formally completed the permanent way by fixing the last bolt to the line and started the first passenger train at the Kolar station, amidst a scene of great entusiasm. Replying to the address of the District Board on that occasion His Highness the Maharaja was graciously pleased to observe :—"I am particularly glad to perform the opening ceremony because I wish to show my appreciation of the public spirit which has prompted the people of this District to construct this much needed line from funds subscribed among themselves. As the pioneers of Local Fund railways in Mysore you deserve the warm support of my Government, and I earnestly hope that when you have shown the way, other districts will not be slow to follow. There can be no sounder investment for a Local Board than a railway, and I trust that you will reap the reward of your enterprise. My Government recognises the importance of the extension of this railway to Chintamani and Chikballapur, and if the Kolar District Board can see its way to raise sufficient funds to meet half the cost of the whole line from Bowringpet to Chikballapur, my Government will be prepared to advance the balance of the money required."

79. The line from Bowringpet to Kolar is now open for booking of passengers and goods, both local and through, to stations on the Madras and Southern Maharatta and South Indian Railways. In the few months that the line has been working, it has shown promise of great usefulness and profit. The average earnings per mile per week has risen from about Rs. 30 in January to about Rs. 70 in May, the rise being noticeable both under coaching and goods. The highest weekly earnings was for the week ending 11th April 1914 during which the average earning per mile came to Rs. 85. Out-agencies for goods have been or are soon to be opened at Srinivasapur and Chintamani, and in spite of the short length of the line and the consequent competition of bullock carts, the average earnings from goods traffic alone have exceeded Rs. 20 per mile in some weeks since March.

80. That the Bowringpet-Kolar Railway is not actually working at a profit is due to the fact that the working expenses on an isolated line of 10·92 miles under a separate management is necessarily very high. The working expenses, according to the authorization roll for 1914-15 work up to about Rs. 36,200 and interest at 4% on a capital outlay of 3 lakhs amounts to Rs. 12,000. According to this calculation the average earnings per mile per week must rise to Rs. 85, before the line can become self-supporting. At the rate at which the earnings are improving, this standard does not seem incapable of attainment even under the present circumstances. But the working expenses per mile will be considerably reduced as soon as the Kolar-Chikballapur section is opened for traffic; and the earnings will go up at the same time. There is little doubt that when the whole loop from Bowringpet through Kolar and Chikballapur to Bangalore is in full working order, the Bowringpet-Kolar Railway will become a profitable concern. In the meantime, in consideration of the high working expenses over the short length, Government have agreed to work the line for a percentage of the gross earnings equal to the percentage of working expenses on gross receipts over the Mysore State Railways. This arrangement is to remain in force until the completion of the half year in which the extension between Kolar and Chikballapur shall have been opened for passenger traffic for 12 months or up to 30th June 1917 whichever is earlier. It may be mentioned that, with this concession, the District Board will have a return of about 6·8 per cent on its capital during the ensuing year.

81. *Guaranteed and other Railways—Construction.*—As foreshadowed in the speech of His Highness the Maharaja referred to above, the scheme of extension of the Bowringpet-Kolar line up to Chikballapur *via* Srinivaspur and Chintamani was earnestly taken up by Government and all stages previous to the commencement of construction have been completed. This Section will be 52·82 miles on 2′ 6″ gauge and the estimated cost is ,14,90. This forms the second link of the Bowringpet-Kolar District Board Railway. The Board have been authorised to raise a debenture loan aggregating Rs. 4 lakhs for this link, the balance being found by the State and the whole concern from Bowringpet to Chikballapur forming a joint concern. The project is now before the Railway Board pending sanction. It is proposed to start construction work on receipt of sanction and complete it during the next official year. The working will be in the hands of Government for the present in conjunction with the Bangalore-Chikballapur Light Railway.

82. Of private enterprise in the matter of railway construction, the only instance so far is the Bangalore-Chikballapur Railway. I exclude from consideration in this connection the Shimoga-Kumsi Tramway, a 2 feet gauge line of about 30 miles constructed by the Mysore-Manganese Co., Ltd., and now owned by the Workington Iron and Steel Co., Ltd., as it is not open for the conveyance of passengers, though goods belonging to the general public are carried on it. Ever since the construction work of the Bangalore-Chikballapur line was placed by the Company in the hands of the State Railway Construction Department in March 1913, rapid progress has been made and it is hoped that the line will be ready for opening for goods traffic between Yelahanka and Davanhalli in a few weeks and for passenger traffic also on the same section by November. The section from Devanhalli to Chikballapur is expected to be open both for goods and passengers by January 1915. Work on the Bangalore to Yelahanka section on this line is of a complicated nature, as the existing metre gauge line is to be utilised by putting in a third rail between Yelahanka and Yesvantpur, and it is not possible to say exactly when this section will be open, so that trains from Chikballapur may run through to Bangalore.

The cost of construction and equipment of the full length of 37·95 miles on the 2′ 6″ gauge according to the sanctioned estimate is 13·73 lakhs but some saving is now expected on this estimate. This reduction in capital outlay and the certainty of early connection of the Chikballapur terminus with Kolar on the other side, remove all doubts about the financial success of this guaranteed line and the first local joint-stock railway enterprise may at last be regarded as being on a fair road to completion. The Bangalore-Kunigal Steam Tramway project, given up by the Bangalore District Board, is now again in the hands of the promoters who originally conceived the idea and their application is now receiving the attention of Government.

83. *Miscellaneous.*—When dealing with the changes in budget heads newly introduced I alluded to the elaboration of sub-heads under *Railways.* This has been rendered necessary on account of the variety of financial arrangements and interests in respect of the lines which are expected to be working within the State in a short time. In the first place we have the State lines worked by the Madras and Southern Mahratta Railway Company. Then we have in the Bowringpet-Kolar line a guaranteed District Board Railway which is worked by the State. In the Tarikere-Yedahalli Tramway we have a third kind, *viz.*, a State concern worked by the State itself. The Bangalore-Chikballapur Railway, now approaching completion with a rapidity which atones to some extent for the slackness of the promotion stage, will present yet another variety of combination of financial interests, namely, a guaranteed company line worked by Government. It is needless to say that, to record the financial transactions connected with these various kinds of concerns with clearness, new heads are necessary in our accounts and such heads have accordingly been opened.

84. There is another matter connected with railway policy and railway finance of the State to which I may invite attention. During the current year a set of rules was framed and published specifying the concessions that the Government were prepared to sanction to promoters of light railways in the State. The main features of the concessions are a 30 years' guarantee of 4 per cent and providing all lands permanently or temporarily required free of charge. If a line works at a profit of over 4 per cent, half the profits in excess of that limit will go to the State. When a railway is constructed in a district which has an accumulated fund of railway cess imposed under clause 1 (a) of Section 20 of the Local Boards Regulation, all guarantee payments will be made out of such railway cess fund as far as available and the balance from State funds. Of course, in such a case, the share of surplus profits coming to the guarantor will be divided between the District Fund and the State funds in proportion to the contribution made by each.

Expenditure.

85. Briefly analysed into heads suitable for purposes of study and comparison the expenditure figure of the budget stands as follows:—

Ordinary Account	...	...	...	...	255,20
Cavery Power Account	...	...	...	...	8,26
Special Capital Grants	...	...	...	...	95,17

I have already dealt with the Special capital grants aggregating 95, 17. The transactions of the Cauvery Power Scheme will be taken up in a separate section. For the present we shall concern ourselves with the provisions made in ths ordinary account amounting to 255,20. The corresponding figure in the accounts for 1912-13 is 216,95 and in the revised estimates for the current year 229,34. When it is remembered that the figure for the current year includes a sum of about 3 lakhs on account of special miscellaneous expenditure, it will be seen that the standard of expenditure provided in the estimate for 1914-15 is about 29 lakhs higher than that in the revised estimates for 1913-14.

86. Of the thirteen groups A. to LL. into which the budget heads on the expenditure side are divided, this increase of 29 lakhs comes chiefly under four *viz.*, D. Salaries and Expenses of Civil Departments, E. Miscellaneous Civil Charges and J. and K. Public Works. These alone account for an increase of 22·50 lakhs *viz.*, Civil Departments 11·96 lakhs and Miscellaneous Civil Charges 4·30 lakhs and Public Works 6·24 lakhs. The other groups also show some fluctuations though to a smaller extent. I shall now rapidly take you through these heads explaining the more important fluctuations and noticing the special provisions made in respect of the several department.

Direct Demands on Revenue.

87. The expenditure included in this group relates to refunds of revenue and charges in respect of collection. Under *Refunds* the disbursements are going down every year since 1911-12 owing to the settlement of outstanding claims in respect of Excise revenue, but some cases are still under consideration and the provision of

1,85 under *Refunds and Drawbacks* is still in excess of the normal amount. In respect of charges on account of Land Revenue, there is noticeable increase under District Administration on account of revision of the scale of pay of Taluk and District Establishments. In the Forest Department the charges are classified under two principal groups, *viz.*, *Conservancy and Works* and *Establishment* and the scale of expenditure provided for each of these groups in the estimates for 1914-15 is much in advance of the revised estimates for 1913-14 (allowing for Khedda charges in the current year under Conservancy and Works) and the actuals of the previous years. Under *Excise* the increase in expenditure provided is under Superintendence and is small when compared to the magnitude of the revenue. The expenditure under *Stamps* and *Registration* shows only normal expansion corresponding to the increase of revenue from these sources.

Mining charges and Interest.

88. The provision for *Charges Against Mining Revenue* in the estimates for 1914-15 shows no decided fluctuation from the sanctioned scale of expenditure during the current year. Under *Interest*, provision has been made for larger balances expected to be at the credit of Savings Banks deposit accounts and of the State Life Insurance Fund as compared with the present balances. The amount of income-tax paid by the State on interests from investments amounted to over Rs. 12,000 per annum so recently as 1907-08 and the amount would have been much more in subsequent years with the rise in investments; but practically the whole of this loss has been avoided by adopting methods under which exemption from income-tax is secured in respect of the bulk of our investments.

Civil Departments.

89. Under the head *General Administration*, the budget provision for 1914-15 is about the same as the revised estimate for the current year. But this equality is only apparent, the figures for 1914-15 representing in reality a much higher standard of expenditure. The explanation of this is that while the figure for 1913-14 includes a sum of 3,72 for reception and entertainment of guests, that for 1914-15 includes a much lower grant under this sub-head *viz.*, 1,61. Of the several minor heads included in *General Administration*, there is increase under Economic Conference for provision relating to sericultural development and for itinerant lecturers; under Civil Secretariats for efficiency audit and record sorting establishment and for the staff attached to the Extraordinary Member of Council; and under Comptroller's office for provision for training promising young men in the higher branches of accountancy, banking and actuarial science. Under *Courts of Law* there is special provision for revision of pay of ministerial establishments in the Judicial department and for increase of remuneration to the Government Advocate. The grant under *Jails* contains extra provision for the pay of the foreman and assistant foreman newly sanctioned for the Jail Manufactory and reallotment of the grant for introducing khaki weaving and for manufacturing weights and measures in the Bangalore Central Jail. In the Police department, the higher provision for 1914-15 when compared with that of the previous year is due to the all round increase of pay sanctioned to the men of the police force during the current year and also to the inclusion of an additional grant of about 15 for improving the Police Training School by the appointment of a whole-time Superintendent in charge, by having hostels for the men under training and by other means.

Education.

90. The course of state expenditure classified under Education during the the last three years has been as follows:—

	Budget.	Actuals.
1911-12	11,79	10,72
1912-13	14,47	11,47
1913-14	16,09	13,69 (Revised estimate)
1914-15	18,08	

A noticeable feature of this statement is the rise in actuals by about 3 lakhs or 27 per cent in a period of two years. The budget figures in the statement indeed show that the Government were prepared for increase of expenditure to a larger extent and at a faster rate. The view which Government take of expenditure on education was well expressed by His Highness the Yuvaraja when, on the occasion of opening the Educational Court in the last Dasara Exhibition, he observed in the course of his speech: "Money invested in education is the best of investments that a nation could make. Our future would largely depend upon this all important question of education."

91. One aspect of the Education portion of our budget which has evoked some criticism is the fact that in the last three years there have been considerable lapses. There is no doubt that lapses have been rather large; but those who are aware of the numerous difficulties in the way of rapid development in a matter like the spread of education will be disposed to take a lenient view of the matter. These difficulties are not insurmountable but, in the best circumstances, they take some time to solve; and that time counts from the stage when full financial provision is made and the work is taken up in right earnest. What generally happens is, that new schemes for which provision is made in the estimates of one year are not fully developed that year and a considerable portion of the grants in respect of them may lapse. But in the following year they are in full working order and provision in respect of them is fully utilised. As His Highness the Yuvaraja so aptly observed on the occasion referred to in the foregoing paragraph: "The question of education requires not only the investment of our monetary resources but also our hearts, brains and energies"; and it is a matter of common experience that these latter elements are called into effective activity only when the first is fully provided.

92. The grant of 18,08 for Education in the estimates of the ensuing year includes the following important items of special interest, the provision in each case being shown in round figures:—

Opening Public Libraries	59	
Developing Mechanical Engineering School, Bangalore	33	(Besides in the P. W. Budget for extension of building).
Reorganization of Industrial Schools...	37	
Building grants	22	
Introducing compulsory education for boys in selected areas... ...	25	
Revision of Normal Schools	50	
Opening new Aided Schools	84	
Revision of Girls' Schools at District Headquarters including Maharani's College	20	
Revision of scale of pay of Vernacular Schoolmasters, addition to Inspectorate, clerical staff, etc.	1,03	
For new Village School buildings	1,00	

As some of these schemes may not come into full working order during the course of the year a lump sum reduction of 1,50 is made and a provision of 3,83 made in the budget for the foregoing items. This is calculated to make the actuals correspond more nearly to the budget provision for the major head as a whole.

93. The expenditure on Education from local funds and on educational buildings in the Public Works department must also be taken into account in arriving at the total expenditure on public instruction. To convey a correct idea on the subject of educational expenditure, this total is worked out in the subjoined statement. The figures in the fifth column are carefully calculated so as to prevent overlapping:—

Year	Village School Fund	Other Local Funds	Public Works expenditure on educational buildings	State expenditure as per para 90 but excluding grants to local funds	Total
1911-12	3,29	98	3,05	10,10	17,42
1912-13	4,16	86	2,45	10,80	18,27
1913-14 (Revised)	4,13	97	2,00	12,62	19,72
1914-15 (Budget)	4,40	97	1,27	16,91	23,55

Agriculture.

94. As I have already observed, the Agricultural Department has developed from a minor into a major department during the course of this year. The following figures will show the correctness of this statement :—

Year	Expenditure in the Agricultural Department (in round thousands of rupees)
1910-1911	58
1911-1912	78
1912-1913	62
1913-1914 (Revised Estimate)	83
1914-1915 (Budget)	2,13

The large increase in the estimate for the ensuing year is due to the reorganisation of the department with full staff for scientific work in the chemical and biological sections, for the Agricultural school and for experimental farms. The special items included are :—

Establishing a Dairy and Breeding Station at Hebbal Farm ...	19
Establishing an experimental farm in the cotton zone	32
Establishing an experimental farm in the malnad	30
Special grants for implements, seed and manure	6
Travelling allowance to rural science supervisors	3

Industries and Commerce.

95. It was in July 1912 that the Government appointed a special officer as adviser on industrial and commercial matters. In February 1913 a regular department of Industries and Commerce was organized under a Director assisted by a staff of superintendents and assistant superintendents. The budget estimate of the department for the current year aggregated about 89 of which a sum of about 77 is likely to be utilized. For the ensuing year the budget estimates for this department aggregate 1,41. The more important new items included in this amount are :—

Purchase of a steam boiler with accessories for manufacturing high class jaggery	17
Developing weaving factory at Bangalore	19
Developing and working the three existing jaggery factories ...	37

Muzrai, Medical and Scientific Departments.

96. The scale of expenditure under *Muzrai*, consisting chiefly of grants to chattrams, temples, matts and Mahomedan institutions, provided for in the estimates under consideration, is just a little above the normal level. The slight rise is under Superintendence and in respect of the Ayurvedic College at Mysore. Under *Medical*, provision has been made for acquiring certain buildings for lodging the staff of the maternity at Robertsonpet as well as for extra establishment for that institution. *Sanitation and vaccination* has now been made into a separate major head and the allotment under this head including the plague charges grant of 50 comes to 1,62. Provision has been made in this department for reorganization of the Public Health Department, for training students in sanitary science and for more district sanitary officers. It has also to be noted that the greater part of the grant of three lakhs for village improvements and of one lakh for malnad improvements, provided under 26 *Miscellaneous*, is meant for works and measures likely to improve the sanitation of rural areas.

97. In the departments grouped under the major head *Scientific and Minor departments* there are several special grants. A provision of 24 has been included under Botanical and other public gardens for the improvement of the Cubbon Park in Bangalore and another sum of 30 for improvements to the Lal-Bagh at the same station. An additional provision of 10 has been made under Veterinary and Stallion charges for opening a few more veterinary dispensaries and entertaining additional mobile staff to cope with cattle disease. An allotment has been provided for printing a catalogue of the exhibits in the Government museum in Bangalore. A lump sum addition of 9 is made under Archæological department to meet the cost of a monograph on Chalukyan buildings, preliminary survey in connection with which has been made by a retired officer of the Archæolocal survey of the Government of India. The grant for the Co-operative Societies department is on a much higher

scale than those of previous years, partly owing to a revision of the permanent establishment of the Registrar's office and partly to a larger provision being made on account of pay and travelling allowance of the extra temporary establishment sanctioned *pro rata* according to the number of co-operative societies existing at any time above a prescribed number.

Miscellaneous.

98. The group head Miscellaneous civil charges consists of four major heads. Of these, the provision under *Allowances and assignments under treaties and engagements* is practically an unvarying item *viz.*, about 72 for political pensions and about 13 for the Gumbuz and other establishments at Seringapatam. The expenditure under *Superannuation allowances and pensions* continues to expand and the provision for 1914-15 stands at 8,15 against, 7,77 the budget and 7,90 the revised estimates for the current year. The grant under *Stationery and printing* has been kept at the normal figure of 2,10 in the hope that the measures that are being adopted by Government to keep down the volume of printing work in the several departments will be attended with some measure of success. Under the Major head *Miscellaneous* the most important sub-head is *Contributions* under which the provisions in the estimates for 1914-15 aggregate 7·30 as shown below :—

Village Improvement Scheme	3	lakhs.
Malnad Ditto	1	„
Mysore City Improvement Trust	2·72	„
Miscellaneous	·91	„
Total ...	7·63	„

A sum of 15 has also been provided under this head for distributing copies of His Highness the Maharaja's portrait to schools and Government offices.

Military.

99. The estimates for the Military department provide for the full complement of officers and men in all the units, for the usual items of establishment and other charges and for enhanced grants for compensation for dearness of gram and ragi and for chenna rations on account of the high prices ruling in the market. A grant of 16 out of the current year's grant of 24 for purchasing rifles for the Barr regiment has been re-provided as also the allotments under Imperial Service Transport Corps for converting pony carts into bullock ones, for purchase of Amrut mahal bulls and for new iron and ambulance carts. An additional grant of 26 has also been provided for revising the pay of officers and men in the Barr infantry.

Public Works.

100. In the estimates for 1914-15 the state grant for public works has been fixed at 36 lakhs distributed as follows :—

Irrigation Major	6,01
Do Minor	3,19
Civil Works	25,85
Military Works	95
Total ...	36,00

Of the sum of 25,85 shown under Civil works, about half is for civil buildings and the remaining half for Communications and Miscellaneous public improvements. Analysed from another point of view, the provision of 36 lakhs stands thus :—

Original Works	18,42
Repairs	11,02
Establishment and Tools and Plant	6,56
Total ...	36,00

101. The following is a list of important public works for which allotments have been made in the budget for 1914-15; it is needless to add that the allotments constitute, in most cases, only a small portion of the estimated cost of each work:—

Projects and works.	Proposed allotment for 1914-15.
Irrigation—	
Improving and extending south channel of Sriramadevara dam, Holenarsipur Taluk	15
Opening out left bank channel from the new Kadlur anikat, Hole-Narsipur Taluk	20
Constructing new tank across Maralwadi stream, Kankanhalli Taluk ...	50
Constructing new tanks, *viz.*, across Kannadavathi river, Nelamangala Taluk; near Dodguli, Kankanhalli Taluk; near Kettuhalli, Closepet Sub-Taluk; near Nerlur Channapatana Taluk; near Gundamagere Dodballapur Taluk; at Rs. 10,000 each	50
Constructing new tanks, *viz.*, across Vrishabavathi river, Channapatna Taluk; at Tippaganahalli, Goribidnur Taluk; at Nidasale, Kunigal Taluk; near Beval, Heggaddevankote Taluk; at Ambligola, Shimoga Taluk; and at Anjanpur or Kunnadavathi, Shimoga Taluk; at Rs. 20,000 each	1,20
Constructing a new tank across Markandeya stream near Rajamana-halli, Bowringpet Taluk	30
Constructing a new tank across the Vadli, Hunsur Taluk	25
Feeding the tanks in Tarikere from Naganna anikat, Tarikere Taluk ...	18
Buildings.—	
In Bangalore—	
Extending Public Office Buildings	1,50
Constructing Law Courts Buildings	1,00
Constructing quarters for the Professors of Central College	20
Constructing a new Girls' School at Chikpet	6
Constructing a Public Library	5
Constructing a General Record Office	5
Constructing a Vaccine Institute in Basavangudi	50
Constructing quarters for the Minto Hospital staff	10
Improvements to Central Jail	40
Extension of Revenue Survey Office and construction of Inam Superintendent's Office	5
Improving and extending Public Works Workshop	10
In Mysore—	
Additions to Chamarajendra Technical Institute...	10
Constructing General Hospital	90
Constructing new Hindu Guests' Quarters	20
Constructing quarters for Representative Assembly members ...	18
Reconstruction works in the Palace	10
Constructing an office block to the new Palace	50
Improvements at the North Gate, Fort	43
Constructing residential block to the new Palace...	53
Constructing quarters for the Local Service Regiment	45
Buildings.—contd. At other places—	
Constructing Taluk Cutcherries at Anekal, Sidlaghatta, Goribidnur, Chitaldrug, Sagar and Honnali	37
Constructing a High School at Hassan	8
Constructing quarters for Police constables at Robertsonpet and Nandidroog	22
Constructing Barr Line officers' quarters at Chikmagalur	20
Communications—	
Constructing bridges on the 18th mile of Kadapa road	10
Constructing bridge across Northern Pennar river near Goribidnur ...	10
Widening the Thalaguppa Aralagode Bankole road	50
Widening the bridlepath from Kagurghat head to the provincial frontier at Happarige road	18
Miscellaneous Improvements—	
Extensions, drainage and other improvements of the Bangalore City ...	1,62
Improvements to Vanivilas Water Works, Mysore	40
Constructing marble canopy over the statue of His Highness the late Maharaja of Mysore...	15

	Proposed allotment for 1914-15
Laying out the new extension of Davangere town	50
Drainage scheme for Haribar and Chikmagalur towns	30
Drainage of Imperial Service Lancers' Lines	7
Improvements to Nanjangud town	50

102. It will be seen that during the ensuing year the Department of Public Works will be responsible for expenditure to the extent indicated below :—

State grant under Public Works	36,00
Capital outlay, Kannambadi Reservoir proper	29,00
Do Subsidiary works ...	8,50
Irrigation Cess Fund	2,52
Total ...	76,02

Besides this, there will be the construction of village school buildings out of the grant of 1,50 provided in the State and Village School Funds budgets and works executed out of Municipal and Local Fund grants tranferred to the public works department. Taking these items on the basis of past actuals at about 5½ lakhs, the expenditure which the Public works department will have to control in 1914-15 may be put down at about 81½ lakhs.

Cauvery Power Scheme.

103. The total revenue expected from the Cauvery Power scheme during the year 1914-15 is 17,58 as shown below :—

Kolar section	14,30
Bangalore City section	1,61
Bangalore Civil and Military station	90
Mysore city	77
Total ...	17,58

In estimating this revenue, allowance has been made for the low receipts on account of May and June which are due early next year, owing to the shortage of water in the river under circumstances already explained. But for the necessity of such reduction, the estimate could have been placed at 19,00. During the ensuing year it is expected that about 1,000 H.P. more will be supplied to the Kolar mines and increase of revenue is also expected from supply of power to some mills and to the Electric tramways in Bangalore and also to the Cauvery Reservoir Works. Normal expansion of revenue from increased demand for power for lighting purposes is also expected in all the centres.

104. The ordinary expenditure aggregates 8,26, made up thus :—

Working expenses	4,44
Depreciation	2,95
Capital works on the open system	87
Total ...	8,26

The Depreciation Fund will amount to about 28,50 against a total capital outlay of 84,38 at the end of the current official year. The items of capital works on the open system provided for in the budget are :—

Name of work.	Allotment for 1914-15.
Constructing eight additional blocks of cooly lines at Sivasamudrum ...	12
Reconstructing second set of two operators' quarters at Sivasamudrum ...	9
Constructing a musafirkhana at Sivasamudrum	8
Constructing a Hospital at Sivasamudrum	15
Interior power and lighting, Bangalore City	15
Do Civil and Military station, Bangalore ...	18
Do Mysore city	10

105. The expenditure figures I have just mentioned refer only to the open system comprising the first three installations. The progress of work in connection

with the fourth installation, now in course of erection, has already been referred to. By the end of this year an outlay of 8,88 will have been incurred on this work and the installation will be completed during the ensuing year. The capacity of Sir K. Sheshadri Iyer Power Station will then be approximately as follows:—

	Horse Power.
1st Installation	6,000
2nd Installation	5,000
3rd Installation	2,000
Due to improvement of Nozzles and runners	1,000
4th Installation	4,000
Total ...	18,000

In erecting the fourth installation, however, ground space has been provided for another unit of 2,000 horse power so that the capacity of the station can be easily raised to 20,000 horse power whenever such a course is considered desirable.

106. As the Cauvery Power Works are at the present time passing through an important stage of development—both by the additional installation and by the construction of the Kannambadi Reservoir which will effectively protect the works against a failure of water-supply—it may not be out of place here to indicate very briefly the most prominent land-marks in the history of this great commercial undertaking and give a summary of its financial results from the beginning. The deputation of a state officer in August 1899 to Europe and America for arranging for tenders for the supply of hydraulic and electric plant and for completing negotiations with the gold mining companies in London, marked the transition of the scheme from the region of speculation and discussion to the stage of practical action. The first installation, intended wholly for supplying power to the Gold Fields, was completed in July 1902 at a cost of about 42½ lakhs. The second installation, meant for supplying additional power to the Gold Fields and also for power and light to Bangalore, was finished in 1905 with the exception of the lighting installation for the Civil and Military station which was completed in December 1907. The total cost of this installation was about 19½ lakhs. The third installation, for supply of power partly to the Kolar Gold Fields and partly to Mysore city, was completed in 1908 at a cost of about 15½ lakhs. The total capital expenditure up to June 1913 was about 83,47. The gross revenue from the scheme in 11 years from 1902-03 to the end of 1912-13 was 173,60. Deducting from this, working expenses amounting to 31,85, depreciation charges aggregating 25,58, and interest on capital at 4 per cent coming up to 29,27, the net result works out to a profit of 86,90.

Local Funds.

107. The subject of Local Fund finance is one of great importance. Financially, when revenue derived from special sources is devoted to special objects and not to the general purposes of the administration, the revenue so devoted forms a Local Fund. But from the administrative point of view a Local Fund has another important aspect. It is generally recognised that Local Funds go along with local self-government; and those who contribute to the revenues of a Local Fund may claim to have a voice, through duly elected representatives, in the management of such funds. The system of Local Fund finance in Mysore has got rather antiquated from this as well as from other standpoints. The expenditure of some of these funds, for example the Village school fund, has risen in late years to a level far above the standard of revenue allotted to it and radical changes have become necessary to secure equilibrium. The subject was discussed by the Economic conference in June 1913 and in accordance with a resolution sent up by that body the Government appointed, in May 1914, a special committee of the conference to consider the whole subject of local fund finance and submit practical recommendations. The committee appointed by Government to suggest reforms in the management and allotment of money in respect of the Irrigation cess fund have also submitted their report and orders of Government, introducing satisfactory changes in this direction, may be shortly expected.

108. The several Local Funds materially supplement the state fund expenditure in many directions, specially under Public works, Education, Sanitation and Medical relief. The following statement shows the opening and closing balances with the estimated receipts and expenditure of these funds during the year 1914-15. The figures for the ensuing year are those proposed by the local bodies and have not yet been sanctioned by Government.

Name of fund	Estimated balance on 1st July 1914	Estimated receipts, 1914-15	Total	Estimated expenditure for 1914-15	Estimated balance on 30th June 1915
	Rs.	Rs.	Rs.	Rs.	Rs.
1. Local Funds, General ...	2,72,611	1,86,320	4,58,931	1,84,900	2,74,031
2. District Funds ...	5,17,004	8,66,167	13,83,171	11,35,479	2,47,692
3. Kolar Gold Fields Sanitary Board Funds ...	63,662	75,180	1,38,842	1,07,011	31,831
Total 2 and 3 ...	5,80,666	9,41,347	15,22,013	12,42,490	2,79,523
4. Irrigation Cess Funds ...	1,34,052	2,61,980	3,96,032	2,52,520	1,43,512
5. Village School Funds ...	−24,906	3,84,646	3,59,740	4,40,205	−80,465
6. Municipal Funds ...	9,21,019	11,74,093	20,95,112	13,90,617	7,04,495
Total ...	18,83,442	29,48,386	48,31,828	35,10,732	13,21,096

109. The total estimated expenditure from the several funds enumerated above amounts to 35,11. Of this, roughly speaking 12,69 or 36 per cent is for public works, 4,91 for education, 3,70 for sanitation and 1,97 for medical relief. It has to be mentioned, however, that the State budget and the Local Fund budgets overlap each other to some extent. About 93 of the expenditure of Local Funds on medical relief is shown in the State Budget as contribution receipts under *XV Medical* and about 2,17 out of the State expenditure under *18 Education* is shown as a receipt in the budget of the village school fund. Such contribution items have to be allowed for in calculating the total expenditure in any department in both the State and the Local Fund budgets taken together.

110. The estimated expenditure during the current year, under the two main heads of Local Funds, *viz.*, District Funds and Municipal Funds exceeds the estimated income and is due to provision being made for incomplete public works out of the opening balance of these funds. Both under income and expenditure, the budget figures of these funds show a distinct advance over the corresponding figures of the last year. The increase of revenue under Municipal Funds is mainly due to the regrant of the registration and surcharge fees on arrack shops in the Bangalore and Mysore cities amounting to about 25, in accordance with the Government order of October 1913, and to the large demand for building sites in the town of Davangere the income from the sale proceeds of which is estimated at 60. The increase under expenditure is due to the special provision made for the water-supply and drainage scheme in that town.

111. As regards District Funds, the increase under revenue is general in all the districts while a special item of 25 has been included in the Kolar district on account of the Bowringpet-Kolar Railway earnings. The increase of expenditure of 2,47 over the budget figure of last year is due to large provision under public works being made in all the districts corresponding to the increase of revenue, and also to a special provision on account of working expenses, etc., of the Bowringpet-Kolar Railway.

112. One noticeable feature of the Local Fund transactions during the current year is that some of the local bodies have arranged to invest their surplus funds in the Mysore Government securities and in deposits in the newly constituted Mysore

Bank. The Bangalore City Municipal Council has been permitted to lodge even its ordinary cash balance in that bank under certain conditions and conduct its cash transactions through it.

Debt Head Transactions.

113. Besides the receipts and disbursements appertaining to the various service heads, a large volume of transactions under debt heads takes place in our treasuries. Thus while the real revenue and expenditure of Government during the year 1914-15 are expected to be 284,92 and 358,63 respectively as already stated, the volume of transactions including debt heads in our treasuries is expected to be well above 10 crores. These debt head transactions, though they do not affect the net assets of Government after allowing for all liabilities, determine to a great extent the amount of ready cash with Government. In some years the debt head transactions bring in a large amount of cash to our treasuries with, of course, a corresponding increase in liabilities; while in other years they may result in a large outgoing of cash, the liabilities of Government being correspondingly reduced. During the year 1914-15 the debt head transactions are expected to result in a net receipt of 45,02 contributed to the extent noted below by each group head :—

	Net receipts + out goings −
Unfunded debt	+ 4,35
Permanent debt	− 10
Deposits and advances	+ 5,29
Advances and Loans	− 46
Guaranteed Railways	+ 4
Net inflow of cash under ordinary debt heads	+ 9,12
Temporary investments	+35,90
Total ...	+45,02

114. Under *Unfunded debt*, the most important heads are the State Life Insurance fund and Savings Bank deposits, the transactions under each of which are expected to result in an inflow of cash to the extent of about two lakhs. In respect of *Permanent debt* an outgoing of 10 is expected as some papers relating to the old debenture loan of 1882 may come up for discharge. In the group *Deposits and Advances* are recorded the transactions of the various special funds such as the Famine Insurance Fund, the State Loan Sinking Fund, Cauvery Power Scheme Depreciation Fund, etc., and also those of all local funds and other bodies which have only a deposit or drawing account with our treasuries. The estimated net result of the numerous transactions under this head is an inflow of cash to our treasuries to the extent of 5,29. Under *Advances and Loans* and *Guaranteed Railways* the net results are expected to be a small inflow in the former case and a small out-going in the other. Temporary investments show a positive result of 35,90 which means that such investments are expected to be converted into cash to this extent during the ensuing year.

Ways and Means.

115. The ways and means arrangements for the ensuing year will be as shown below :—

Estimated opening cash balance on 1st July 1914	100,19
Add surplus under service heads	21,46
Add net inflow of cash under ordinary debt heads	9,12
Realization of temporary investment	35,90
Total ...	166,67
Deduct capital outlay on large productive works	95,17
Estimated closing balance on 1st July 1915	71,50

It is thus seen that realization of temporary investments to the extent of 35,90 only is likely to be required during the year. Such investments of the State at the beginning of the ensuing year amount to over 65 lakhs, so that the question of ways and means does not present any difficulty.

General Financial Situation.

116. It will be seen that the budget for 1914-15, providing for a surplus of 21,46 after a very liberal provision under all the service heads, indicates a satisfactory financial situation. Even if a deduction of about 12 lakhs be made from this figure, on account of arrears of revenue of the Bangalore Assigned Tract included on the receipt side, the position is one of fair surplus. When it is remembered that this result is arrived at on the basis of a decidedly cautious estimate under some of the important heads of revenue such as *Forest*, *Excise*, *Railway* and *Cauvery Power Scheme*, and after setting apart usual appropriations aggregating 3,33 towards famine insurance and the State Loan Sinking Fund, no room for doubt is left as regards the soundness of the financial situation and about the general prosperity of the State.

CONCLUSION.

117. Sir, I have now finished my explanation of the budget and I shall conclude with a few observations in hopeful anticipation of the discussion which, with your permission, we are to have on Thursday next. I knew a very learned Pundit in Mysore, hailing from the side of Chamrajnagar – a man of the good old moving-library type which is fast disappearing—who wrote a most meritorious book in Sanskrit poetry and added a verse at the end of it containing an admirable sentiment. He said, "Those who read my book, appreciate the trouble I have bestowed on it and praise it, to them *namaskara*; to those who read my work carefully and criticise it and expose its defects and deficiencies, to them also *namaskara*; but those who simply take my book and put it aside in apathy and indifference—well, I do not want even to hear their names and see their faces." Sir, in this distinguished assembly I cannot be as blunt in my expression as the revered Pundit, but it would be an affectation to deny that my sentiments on this occasion are somewhat similar. We welcome fair and candid criticism; whether the critics' views agree with or differ from ours will not affect the cordiality of such welcome. We want financial questions to be looked at from all possible angles of vision; we want the current of public opinion to illuminate the path of our financial policy and lend power and energy to our financial operations and activities. It was only the other day that the highest authority on public finance in India remarked that it is impossible to produce a budget which will satisfy all in all its details; in a field so vast and with so many points of contact with varied interests as public finance, there must always be room for considerable difference of opinion. All that we can do is to discuss points that arise in a frank and friendly spirit; and we may consider ourselves amply rewarded if, as the result of such frank discussion, we can feel that, each of us, according to his light and abilities, has done his best to secure the object which we all have in view. That object, I need hardly add, is to lay out the financial programme for the year so as to ensure the greatest good to the greatest number of people of this country. And this, in our case, is identical and synonymous with the best service done to him who is so keenly solicitous of the welfare of the millions entrusted to his charge—the Gracious Sovereign who inspires our thoughts and guides our actions with such loving interest, His Highness the Maharaja of Mysore.

BANGALORE
29th June 1914.

J. S. CHAKRAVARTI.

GOVERNMENT OF HIS HIGHNESS

FINANCIAL STATEMENT

GENERAL ABSTRACT OF REVENUE

	Budget Estimate, 1914-1915.	Revised Estimate, 1913-1914.	Budget Estimate, 1913-1914	Accounts, 1912-1913.	Increase+, Decrease—, of Revised, as compared with Budget Estimate, 1913-1914.	Increase+, Decrease—, of Budget 1914-1915 as compared with Revised Estimate, 1913-1914.
A—Principal Heads of Revenue—						
I Land Revenue ...	1,06,40,000	1,05,00,000	1,05,00,000	1,05,00,292	...	+1,40,000
II Forest	28,20,000	33,14,000	22,00,000	32,93,721	+11,14,000	—4,94,000
III Excise	46,00,000	52,20,000	43,36,000	48,14,089	+8,84,000	—6,20,000
IV Assessed Taxes ...	2,65,000	2,63,000	2,75,000	2,65,570	—12,000	+2,000
VII Stamps	9,75,000	10,30,000	9,00,000	9,41,435	+1,30,000	—55,000
VIII Registration ...	1,85,000	1,95,000	1,85,000	1,82,848	+10,000	—10,000
Total ...	1,94,85,000	2,05,22,000	1,83,96,000	1,99,97,955	+21,26,000	—10,37,000
AA—Mining Revenue— IX Mining Royalty and Leases	19,00,000	19,36,000	19,00,000	19,36,222	+36,000	—36,000
B—IXA Surplus Revenue of Bangalore Assigned tracts ...	13,43,000	30,00,000	...	...	+30,00,000	—16,57,000
BB—Interest—						
X Interest	13,94,000	1,30,000	2,34,000	4,14,655	—1,04,000	+12,64,000
XI *Profit or Loss* ..	(a)	16,00,000	10,00,000	7,71,332	+6,00,000	—16,00,000
Total ...	13,94,000	17,30,000	12,34,000	11,85,987	+4,96,000	—3,36,000
D—Receipts by Civil Departments—						
XIIA Law and Justice—Courts of Law	49,000	51,000	47,000	58,641	+4,000	—2,000
XIIB Law and Justice—Jails...	28,000	31,000	39,000	32,087	—8,000	+7,000
XIII Police	30,000	27,000	25,000	24,144	+2,000	+3,000
XIV Education	1,76,000	1,77,000	1,43,000	1,63,787	+34,000	—1,000
XIVA Agriculture ...	1,000	*	*	*	*	+1,000
XIVB Industries and Commerce	...	...	...	...	...	...
XV Medical	1,07,000	1,17,000	1,23,000	1,12,319	—6,000	—10,000
XVA Sanitation & Vaccination	15,000	(b)	(b)	(b)	(b)	+15,000
XVI Scientific and other Minor Departments ...	86,000	1,07,000	75,000	1,13,329	+32,000	—21,000
Total ...	5,02,000	5,10,000	4,52 000	5,04,307	+58,000	—8,000
Carried over ...	2,46,24,000	2,76,98,000	2,19,82,000	2,36,24,471	+57,16,000	—30,74,000

* Included under XVI scientific and other Minor Departments.

(a) Included under X Interest.

(b) Included under XV Medical

FOR THE YEAR 1914-1915.

AND EXPENDITURE. **PART I.**

	Budget Estimate, 1914-1915.	Revised Estimate, 1913-1914.	Budget Estimate, 1913-1914.	Accounts, 1912-1913.	Increase+, Decrease—, of Revised as compared with Budget Estimate, 1913-1914.	Increase+, Decrease—, of Budget 1914-1915 as compared with Revised Estimate, 1913-1914
A—Direct Demands on the Revenue—						
1 Refunds and Drawbacks	1,85,000	2,37,000	2,42,000	2,65,885	—5,000	—52,000
1A. Assignments and Compensation ...	80,000	(a)	(a)	(a)	(a)	+80,000
Charges in respect of Collection, viz.—						
2. Land Revenue ...	19,80,000	19,07,000	19,79,000	18,18,423	—72,000	+73,000
3. Forest	8,47,000	8,80,000	8,38,000	6,96,233	+42,000	—33,000
4. Excise	3,50,000	3,42,000	3,41,000	3,33,824	+1,000	+8,000
8. Stamps	47,000	49,000	42,000	61,425	+7,000	—2,000
9. Registration ...	90,000	86,000	91,000	83,958	—5,000	+4,000
Total ...	35,79,000	35,01,000	35,33,000	32,59,748	—32,000	+78,000
AA—10. Charges against Mining Revenue ...	2,40,000	2,19,000	2,33,000	2,11,466	—14,000	+21,000
BB—Interest—						
11. Interest on Ordinary Debt	85,000	80,000	85,000	1,10,973	—5,000	+5,000
12. Interest on other Obligations	3,79,000	3,45,000	3,41,000	3,23,521	+4,000	+34,000
13. *Profit or Loss* ...	(b)	1,000	1,000	905	...	—1,000
Total ...	4,64,000	4,26,000	4,27,000	4,35,399	—1,000	+38,000
C—14. Palace	23,40,000	22,96,000	23,40,000	23,22,000	—44,000	+44,000
D—Salaries and Expenses of Civil Departments—						
15. General Administration	11,05,000	11,01,000	9,13,000	8,31,353	+1,91,000	+1,000
16A. Law and Justice—Courts of Law ...	8,84,000	8,38,000	8,19,000	7,75,578	+19,000	+46,000
16B. Law and Justice—Jails	1,53,000	1,36,000	1,51,000	1,14,981	—15,000	+17,000
17. Police	10,47,000	9,69,000	9,58,000	9,43,514	+11,000	+78,000
18. Education... ..	18,08,000	13,69,000	16,09,000	11,47,476	—2,40,000	+4,39,000
18A. Agriculture ...	2,13,000	(c)	(c)	(c)	(c)	+2,13,000
18B. Industries and Commerce ...	1,41,000	(c)	(c)	(c)	(c)	+1,41,000
19. Muzrai or Religious and Charitable Institutions	3,57,000	3,52,000	3,55,000	3,50,947	—3,000	+5,000
20. Medical	6,62,000	7,99,000	8,48,000	7,69,799	—49,000	—1,37,000
20A. Sanitation and Vaccination	1,62,000	(d)	(d)	(d)	(d)	+1,62,000
21. Scientific and other Minor Departments..	3,30,000	3,99,000	4,30 000	3,11 380	—31,000	—69,000
Total ...	68,62,000	59,66 000	60,83,000	52,45,528	—1,17,000	+8,96,000
Carried over ...	1,34,85,000	1,24,08,000	1,26,1 6,000	1,14,74,141	—2,08,000	+10,77,000

(a) See details. Included under respective heads.
(b) Included under 12. Interest on other obligations.
(c) Included under 21 Scientific and other Minor Departments.
(d) Included under 20 Medical.

	Budget Estimate, 1914-1915.	Revised Estimate, 1913-1914.	Budget Estimate, 1913-1914.	Accounts, 1912-1913.	Increase+, Decrease−, of Revised, as compared with Budget Estimate, 1913-1914.	Increase+, Decrease−, of Budget 1914-1915, as compared with Revised Estimate, 1913-1914.
Brought forward ...	2,46,24,000	2,76,98,000	2,19,82,000	2,36,24,471	+57,16,000	—30,74,000
E—Miscellaneous—						
XVII Receipts in aid of Superannuation Allowances and Pensions ...	2,000	2,000	2,000	2,018	...	...
XVIII Stationery and Printing	9,000	10,000	9,000	7,865	+1,000	—1,000
XIX Miscellaneous ...	1,67,000	1,71,000	1,68,000	1,64,169	+3,000	—4,000
Total ...	1,78,000	1,83,000	1,79,000	1,74,050	+4,000	—5,000
G.—Military Receipts—						
XX Army ...	85,000	74,000	62,000	71,835	+12,000	+11,000
XXA Military Works ...	9,000	10,000	10,000	15,090	..	—1,000
Total ...	94,000	84,000	72,000	86,925	+12,000	+10,000
H-Railways—						
XXI State Railways - Revenue Account ...	15,00,000	16,90,000	14,50,000	16,26,989	+2,40,000	—1,90,000
K-XXII Public Works ...	3,38,000	3,63,000	3,34,000	3,88,467	+29,000	—25,000
L-XXIII Cauvery Power Scheme ...	17,58,000	17,12,000	17,00,000	17,05,781	+12,000	+46,000
Total Revenue and Receipts ...	2,84,92,000	3,17,30,000	2,57,17,000	2,76,06,683	+60,13,000	—32,38,000
DEFICIT ...				...	...	...
GRAND TOTAL ...	2,84,92,00	3,17,30,000	2,57,17,000	2,76,06,683		

Net decrease of revenue in Budget 1914-15 from Revised 1913-14 ... Rs. 32,38,000

Net increase of expenditure ... ... „ 26,23,000

	Budget Estimate, 1914-1915.	Revised Estimate, 1913-1914.	Budget Estimate, 1913-1914.	Accounts, 1912-1913.	Increase+, Decrease—, of Revised as compared with Budget Estimate 1913-1914.	Increase+, Decrease—, of Budget, 1914-1915, as compared with Revised Estimate, 1913-1914.
Brought forward ...	1,34,85,000	1,24,08,000	1,26,16,000	1,14,74,141	—2,08,000	+10,77,000
E.—Miscellaneous Civil Charges—						
22. Civil Furlough Allowances						
23. Allowances and Assignments under Treaties and Engagements ..	85,000	85,000	86,000	84,351	—1,000	...
24. Superannuation Allowances and Pensions ...	8,15,000	7,90,000	7,77,000	7,90,714	+13,000	+25,000
25. Stationery and Printing...	2,10,000	2,23,000	2,11,000	2,32,175	+12,000	—13,000
26. Miscellaneous ...	8,41,000	4,23,000	8,38,000	1,76,931	—4,15,000	+4,18,000
Total ...	19,51,000	15,21,000	19,12,000	12,84,171	—3,91,000	+4,30,000
G.—Army and Defence—						
27. Army	14,75,000	13,64,000	14,37,000	13,36,857	—73,000	+1,11,000
27A. Subsidy to British Government ...	35,00,000	35,00,000	35,00,000	35,00,000	...	...
27B. Military Works ...	95,000	1,19,000	1,19,000	51,904	...	—24,000
Total ...	50,70,000	49,83,000	50,56,000	48,88,761	—73,000	+87,000
F.—Famine Relief and Insurance—						
28. Famine Relief ...	...	..	...	14	...	...
29. Reduction or Avoidance of Debt	3,33,000	3,33,000	3,33,000	3,33,333	...	...
Total ...	3,33,000	3,33,000	3,33,000	3,33,347	...	...
H.—State Railways—						
30. State Railways—Revenue Account	7,20,000	7,20,000	7,20,000	7,17,377	...	...
30A. Miscellaneous Railway Expenditure	98,000	21,000	1,50,000	2,69,482	—1,29,000	+77,000
Total ...	8,18,000	7,41,000	8,70,000	9,86,859	—1,29,000	+77,000
J.—Irrigation—						
31. Major Works	6,01,000	4,62,000	35,95,000	19,89,155	—31,33,000	+1,39,000
32. Minor Works	3,19,000	3,28,000	3,28,000	1,41,852	...	—9,000
K.—Public Works—						
33. Civil Works ...	25,85,000	20,91,000	19,98,000	20,55,321	+93,000	+4,94,000
Total ..	35,05,000	28,81,000	59,21,000	41,86,328	—30,40,000	+6,24,000
KK. 34. Capital outlay on State Railways	3,58,000	67,000	18,95,000	2,46,166	—18,28,000	+2,91,000
Bangalore Electric Tramways—						
Capital Expenditure ...	(a)	(a)	6,65,000	...	—6,65,000	...
L.—Cauvery Power Scheme.						
35. Revenue Account ..	7,39,000	6,98,000	7,08,000	6,43,693	—10,000	+41,000
36. Capital Account ...	87,000	91,000	13,79,000	34,909	—12,88,000	—4,000
Total ...	8,26,000	7,89,000	20,87,000	6,78,602	—12,98,000	+37,000
Total Expenditure ...	2,63,46,000	2,37,23,000	3,13,55,000	2,40,78,375	—76,32,000	+26,23,000
Deduct—Outlay on Capital Works shown in Part II ...			*65,10,000*	*17,05,000*		
SURPLUS ...	21,46,000	80,07,000	8,72,000	52,33,308		
GRAND TOTAL ...	2,84,92,000	3,17,30,000	2,57,17,000	2,76,06,683		

(*a*) Provided under "N Capital outlay not charged to Revenue."

J. S. CHAKRAVARTI,
Comptroller and Financial Secretary.

GENERAL STATEMENT OF RECEIPTS

	Receipts			
	Budget Estimate, 1914-15	Revised Estimate, 1913-14	Budget Estimate, 1913-14	Accounts, 1912-13
Revenue Surplus	21,46,000	80,07,000	8,72,000	52,33,000
Debt, Deposits and Advances—				
Surplus Investment Account (net) ...	.....	.....	1,60,000	.....
State Life Insurance Fund (net receipts)	2,13,000	2,18,000	2,55,000	2,46,000
Savings Bank Deposits (net receipts)	2,00,000	2,00,000	2,00,000	4,07,000
Deposits and Advances	41,19,000	.....	16,35,000	12,43,000
Advances and Loans (net) ...	.....	2,37,000	1,98,000	1,88,000
Other Debt Heads (net) ...	16,000	76,000	10,000	1,36,000
Total ...	66,94,000	87,38,000	33,30,000	74,53,000
Opening Balance ...	100,19,000	112,16,000	112,16,000	116,95,000
GRAND TOTAL ...	**167,13,000**	**199,54,000**	**145,46,000**	**191,48,000**

	Disbursements			
	Budget Estimate, 1914-15	Revised Estimate, 1913-14	Budget Estimate, 1913-14	Accounts, 1912-13
Deficit ...	.....	.....	.....	.....
Railway, Irrigation and other Capital Works not charged to Revenue—				
Outlay on Cauvery Reservoir and allied works	37,50,000	19,70,000	30,40,000	15,71,000
Outlay on State Railways ...	36,00,000	8,83,000	15,00,000	98,000
Outlay on Subsidised Railways ...	10,00,000	.....	.....	.....
Outlay on Bangalore Electric Tramways	6,00,000	65,000	6,65,000	5,000
Outlay on Cauvery Power Scheme—				
IV Installation	5,67,000	8,50,000	13,05,000	31,000
Total Capital Account Disbursements ...	95,17,000	37,68,000	65,10,000	17,05,000
Debt, Deposits and Advances—				
Surplus Investment Account (net) ...	.....	40,82,000	.....	60,72,000
Remittances (net)	.....	.....	.....	1,55,000
Deposits and Advances (net) ...	.....	20,85,000	.....	.....
Advances and Loans (net) ...	46,000	.....	.....	.....
Other Debt Heads (net) ...	.....	.....	1,18,000	.....
Total ...	95,63,000	99,35,000	66,28,000	79,32,000
Closing Balance ...	71,50,000	100,19,000	79,18,000	112,16,000
Grand Total ...	**167,13,000**	**199,54,000**	**145,46,000**	**191,48,000**

J. S. CHAKRAVARTI,
Comptroller and Financial Secretary.

(Please see para 9 of the note)

SUPPLEMENT TO

The Mysore Gazette

PUBLISHED BY AUTHORITY.

BANGALORE, THURSDAY, AUGUST 20, 1914.

Abstract Proceedings of the Mysore Legislative Council.

The Council met on Tuesday the 7th July 1914, at 12 noon for the discussion of the Budget.

PRESENT.

M. VISVESVARAYA, ESQ., B.A., L.C.E., M.INST.C.E., C.I.E., Dewan (Presiding).

Ex-officio Members.

1. SIR SRI NARASIMHARAJA WADIYAR BAHADUR, K.C.I.E., Extraordinary Member of Council.
2. RAJAMANTRAPRAVINA H. V. NANJUNDAYYA, ESQ., M.A., M.L., C.I.E. First Member of Council.
3. M. KANTARAJ URS, ESQ., B.A., C.S.I., Second Member of Council.

Additional Members.

Official.

1. K. S. DORASWAMI IYER, ESQ.
2. DEWAN BAHADUR J. S. CHAKRAVARTI, ESQ., M.A., F.R.A.S.
3. DEWAN BAHADUR C. SRIKANTESVARA AIYAR, ESQ., B.A., B.L.
4. RAO BAHADUR M. SHAMA RAO, ESQ., M.A.
5. P. RAGHAVENDRA RAO, ESQ., B.A., B.L.
6. K. R. SRINIVASIENGAR, ESQ., M.A.
7. B. J. KUMARASWAMY NAIK, ESQ., B.A.
8. C. S. DORASWAMI IYER, ESQ., B.A., B.L.

Non-official.

1. RAJAMANTRAPRAVINA DEWAN BAHADUR C. SREENIVASIENGAR, ESQ.
2. RAJASABHABHUSHANA DEWAN BAHADUR K. P. PUTTANNA CHETTY, ESQ.

3. Syed Amir Hassan, Esq.
4. S. Seetharamayya, Esq.
5. M. Venkatakrishnayya, Esq.
6. M. Karnick Krishnamurthi Rao, Esq.
7. B. Narasinga Rao, Esq.
8. S. R. Balakrishna Rao, Esq., B.A., LL.B.
9. B. K. Garudachar, Esq.
10. S. Venkatesaiya, Esq., B.A., B.L.
11. B. Venkatashamanna, Esq., B.A., B.L.
12. K. Shankaranarayana Rao, Esq., M.A., B.L.

Absent.

Non-official.

Rajakaryapravina Rao Bahadur
A. Rangaswami Iyengar, Esq., B.A., B.L.

S. P. Rajagopalachari, Esq. (Secretary).

The Dewan.—Gentlemen.—To-day His Highness the Yuvaraja takes his seat in this Council for the first time and I have no doubt it will be the wish of every member present to extend to His Highness our cordial greetings on this occasion. The people of Mysore, wherever they may reside, will rejoice at the great interest His Highness is taking in the welfare of the people and the increasing share His Highness is assuming in the actual burden of administration.

We will now proceed with the business of the day.

Mr. B. K. Garudachar.—This is the first time that the privilege of discussing the budget has been extended to the Legislative Council and I cannot miss this opportunity of placing a few observations after a study of the estimates furnished on the several items of Receipts and Expenditure.

To take full advantage of the privilege given to us we are beset with some difficulties. Firstly, the time at our disposal to look into the mass of figures before us is very short being only a week and I am sure my colleagues as well as the Government will agree with me when I say that more time, say two to three weeks, should be given us, if we are to do any justice to the privilege. Secondly, there are no public libraries in Bangalore where we can have books of reference to help us and it may not be out of place here to suggest that the Government will soon see its way to remedy this defect by adding a good library to the Council Chamber.

Of the revenue derived from various sources, that from land occupies the premier place as usual. Now it is a question whether this is not burdensome. I think, as it is, the economic condition of our Mysore peasantry is at a very low ebb and this is very well known and it appears to me that this heavy burden of revenue ought to be lightened. I would like that Government should have this question investigated in a thoroughly independent and impartial spirit.

The next large item of revenue is that under *Excise* and the increase year after year by leaps and bounds is appalling. The estimated revenue for 1914-15 stands at Rs. 52,20,000. Population of the Province is 5,705,359. Drink revenue per head is 0-14-6 annas in our Province when compared to that in the Madras Presidency where it is nearly 10 to 12 annas.

Is this not appalling? I am sure this is far more than what it is for any one of the British Provinces or for all India. I humbly beg to state that this state of affairs is a painful one to any civilised Government and particularly more so to a Hindu Government. In a variety of ways liquor is brought to the very doors of thousands of our poor fellowmen and when temptations are thrown in their way it is nothing strange that they should yield to the pleasure of indulging in them.

Mr. Chakravarti has very clearly tried to explain away the abnormal rise in the revenue under this head since 1911-12, but still the doubt remains in him whether the increase is not partially due to the drink habit penetrating deeper into the masses. He however contemplates with satisfaction that a gradual reduction in the number of shops is being effected. This remedy by itself does not appear to me to be sufficient. In what localities the number of shops is being reduced is not known. To be effective the reduction ought to be made in every city, town and village. The question of reducing the hours of sale every day may also be considered. The distillation of country spirits must be contracted to within the narrowest limits possible. I think such drastic remedies if carried out rigorously will not fail to bring about efficacious results in the course of a few years. What is required of our Government is a determined resolution to gradually withdraw the object of temptation from the reach of its subjects and show them ways of employing themselves to the better advancement of their material and moral prosperity. A great moral courage is needed for our Government to expunge in course of time this source of revenue from its fiscal system and thereby raise the morality and the physical manhood of its subjects.

The third item of revenue is from *Forests*. About 60 per cent of this is derived from sandalwood the price of which is rising year after year. Leaving this aside and those from grazing and other mining produce the revenue is estimated to be Rs. 10,00,000. As compared with previous years there is a marked rise under the head Timber IIA-I (7,00,000, revised estimate of 13-14, 4,15,000) by about 3 lakhs and I find no explanation to this rise in the Financial Secretary's statement.

The working expenses of the Forest Department I find on comparison to be very heavy. For an area of 3,500 square miles of forest land the expenditure is 8 lakhs and over, or 220 rupees per square mile, while in the Madras Presidency this is only Rs. 150 per square mile. In my opinion, this requires scrutiny and revision.

Education.—A large outlay is made under this head in the budget for the current year, but yet I find that it is still wanting for college education. Last year about this time the difficulties in connection with seats that could be made available in the intermediate classes of our two colleges were brought to the knowledge of Government and to remedy this no provision appears to have been made in the current year's budget. The same difficulties this year are now brought to the notice of Government I think, for, only the other day there was a meeting of parents and guardians of students to memorialise Government. It is desirable on the part of Government to make such provision in the current year's budget as would be necessary to satisfy the University regulations and raise the available number of seats in the two colleges to double the present figures.

Sanitation.—This has been made into a separate major head under medical and the allotment made is 1·62 lakhs. In my humble opinion, this is still inadequate and deserves reconsideration at the hands of Government. Next to Agriculture comes sanitation and health of the people and the latter deserves expansion and development as was done with the former. Better provision has to be made on this account and the department given an independent head in the budget.

Railways.—The figures of receipts under this head are, I believe, those furnished by the Madras and Southern Mahratta Railway Company. It is not known what check is exercised by Government in the matter of the figures of the Company.

The line from Bangalore to Mysore is becoming more and more important year after year and the passenger and goods traffic are, I believe, increasing. The third class passengers, who are the main stay for all Railway earnings are put to great indignities and when enquired into we are told that this is for want of third class carriages. It is observed that the number of third class carriages we have for services on our open lines falls far short of the number in use in other parts of India proportionately. It is therefore necessary that provision should be increased in our budget for the current year for constructing more third class carriages for service on the line. Then again, the line itself between Bangalore and Mysore is, as is well known, very badly laid and consequently fast service of trains has been impossible on this line. It is high time that our Government should see to the remedying of this

lefect early by realigning portions of the line year after year. Some provision may ɔe made in the current year's budget on this account also.

The question of restoration of minor tanks in the State has never had due consideration at the hands of Government. The acreage under minor tanks in Mysore s very nearly equal to that under major tanks (378,012 and 388,302 acres respectively) and the revenues derived from them also compare favourably.

Of late years, it has been the policy of Government to bestow their best considera-ion to large irrigation projects and make only small provisions to the restoration ɔf minor tanks. This policy is very much to be deprecated for the reason that the ninor tanks are spread over the entire State and are beneficial to the people very largely as they bring water near to their very homes, while large irrigation projects, such as the Marikanave, Kannambadi, etc., will only be useful to only a small part ɔf the State and perhaps also to some speculative and venturesome outsiders. It s hoped that Government will realize the soundness of this argument and make a vigorous attempt to have all the minor tanks restored at not a very distant date and thereby earn the gratitude of its subjects throughout the length and breadth of he State.

Year after year large provisions are made for large projects and at the end of the year it is found that large sums remain unexpended. In 1912-13, the lapses amounted to as much as 25 lakhs and in the past year this is estimated to be about 38 lakhs. This is the result, I believe, of overestimating beyond the powers of the executive. If, however, Government should have provided funds for the rapid restoration of the minor tanks, they should have been realising the return by now.

Remission of Revenue on account of Poor Yield of Crops.—It has been admitted by Mr. Chakravarti that the yield of ragi crop during 1913-14 varied from 7 annas to 16 annas and that of paddy from 6½ as. to 14 as. The average for the State for these two staple crops are stated to be 8½ as. and 11 as. I wonder how such state of things can be called satisfactory. In spite of such poor yield of crops, the full revenue was realized. It is not known under what circumstances Government will grant remissions of revenue to its subjects. Six and a half annas and 7 as. crop are poor indeed, in my opinion, to justify the grant of some remission of revenue. This year the seasonal conditions are worse than what they were during the year 1913-14 and it is therefore incumbent on Government to make some provision in the budget for remissions of revenue.

Famine.—The hot whether rains of this year 1914 (March to May) have completely failed throughout the Province and to-day in the second week of July we are still looking to the heavens for a real burst of the S. W. monsoon. So the prospects of the year are not at all bright and there is every probability of the prices of food-stuffs—already high enough—going still higher. So it might safely be said that famine is staring us in the face. It therefore appears to me that Government should in the current year's budget make adequate provision on this account.

Economic Conference. 15B (5).—The provision under this head has been growing rather abnormally. Certain revisions were, it is understood, made in the original budgets as prepared by the three sections of the Conference. This, instead of being adhered to, appears to have been dropped and the original budget provided for in deference to the representations made at the last meeting of the Conference. Government seem to have given a fairly free hand to this infant department in particular. In my opinion, the details under this head require scrutiny and considerable modification.

The Educational Committee has, it is believed, practically finished its deliberations on the various special subjects it had for consideration and submitted its final proposals. The execution of the proposals and the continuation of deliberations on the few other subjects now engaging its attention may well be left in the hands of the Educational Department and the Committee disbanded.

The Agricultural and Industrial Departments have in the present budget been raised to major heads and as they have been placed under the guidance of able directors these two Committees of the Conference may well be allowed to merge in

the respective departments, and the savings therefrom may well be utilised for permanent improvements.

Department of Industries and Commerce. (New) 18B (1)—This Department is, in my humble opinion, very heavily manned. For a small State like Mysore, we have a very highly paid Director. Many of the provisions under this head require revision. Compared with that in the Madras Presidency the expenditure here is out of all proportions, and this may be considered by Government.

Separation of Judicial and Executive Functions.—This question has been brought for the consideration of Government so often and the Government have, I am glad to say, sympathised with the subject. To representations made in the matter Government have invariably replied that for want of funds they are unable to give a practical effect to it. Now it appears to me that the question can easily be brought within the range of practical politics. In the neighbouring Presidency of Madras, it will be observed that the smallest taluk is not less than 650 square miles while our taluks are comparatively very small, about 200 square miles on an average. For example, compare (a) Hosur, and (b) Krishnagiri in the Madras Presidency with (c) Anekal in the Mysore Province. The administration of the country will not in any way be affected if two of our present taluks are clubbed into one and placed in charge of an Amildar with purely revenue work and a Sub-Magistrate for criminal work. By so doing the long desired reform could be effected without any extra cost to the State and if this were done, more satisfactory will be the administration of the taluk. At present, the Amildar is often hampered in his legitimate work of seeing to the general well being of the people throughout the taluk, as on account of criminal work he has to return often to headquarters from tour. It is hoped this aspect of grappling with this important and long sought for reform will meet with due consideration at the hands of Government.

Finally, one other observation and I have done with. The budget is at present being published only in English. This is a great disadvantage to the ordinary Kanarese literate tax-payers who are comparatively larger in numbers than the English knowing few. It is therefore suggested that the budget should be published also in Kannada, the country's vernacular, as is done in some other Native States of India, as Baroda, where the budget is published in Guzarati. If this were done, I am sure the majority of the Kannada literate will be roused to take interest in matters relating to the finances of the State which will show them the conditions of the country.

I have offered the above observations only with a view to indicate the lines on which improvements and changes may be effected in the several directions suggested by me above and request that the same may not be taken as a destructive criticism of the existing institutions.

Mr. S. R. Balakrishna Rao.—Sir.—I rise to make a few observations on the Budget Estimate for 1914-15, presented to this Council by the Financial Secretary on the 29th ultimo. The lucid speech delivered by the honorable member is a record full of very interesting facts and observations. He has dressed up an otherwise unpalatable subject so tastefully that the natural aversion for figures is successfully overcome. Without in any way pretending to make anything like his interesting speech, I beg leave to make a few suggestions and remarks on the more important aspects of the various budget heads.

We all feel it a pride that the Government of His Highness the Maharaja have taken the public into their confidence and given us, their representatives, the privilege of meeting the members of Government in this Council and discussing the budget. It is impossible to over-rate the value of this and other privileges, and we fully hope that these are only the fore-runners of the other privileges such as the right to move resolutions on administrative matters. Sir, in the fulness of time, I hope this Council will be given that much valued privilege and it will be a powerful aid to the Government and will be looked upon as an Estate of the Realm.

(a) 1,100 square miles.
(b) 650 square miles.
(c) 150 square miles.

The Financial Secretary hopes that the Revenue of the State will reach the unprecedented figure of about 284 lakhs and expenditure 263 lakhs and shows a surplus of nearly 21½ lakhs. Twenty years ago (in 1894-95) the receipts were 180 lakhs and expenditure 160 lakhs and in 1904-05, (*i.e.* ten years later) the figures were 244 lakhs and 219 lakhs, respectively. Thus whereas in 20 years our revenue has increased by a crore of rupees, our expenditure also has shown the same rise.

The question naturally arises whether this huge increase in expenditure of a crore of rupees has resulted in any corresponding proportion of good to the tax-payer and whether the large increase in revenue is indicative of the general rise in wealth of the tax-payer or whether it is due to fortuitous causes, which are not connected with the wealth of the people.

I cannot share the Financial Secretary's optimism in the rise of Forest Revenue. No doubt, there has been an increase of nearly 200 per cent during the last 20 years and there may continue to be probably a proportionate increase in the next decade or two even. But how long, I ask, will this thing continue? It is the general belief entertained by the people at large, I mean almost all the people who do not profess to have the technical wisdom of the Forest Department, that our forests are being over-worked, if not denuded, that this has resulted in the thinning of our once magnificent forests and that the rainfall on the ghats has materially diminished in consequence. There cannot be any doubt that even 100th of what is felled every year is not being replaced either by natural growth or by plantations. How long then can we draw on this reserve fund (the forest wealth) of the country and look upon this as *revenue* and shape our expenditure on its basis ?

As a layman I think that our forests are being impoverished and that there may come a time (which God forbid) when the coming generation of Mysoreans will have to look upon sandal and teak as rare products which brought to his country lakhs of rupees in years gone by. My reference to this item is intended to show that we may not look on forest revenue as a steady source of revenue but treat the bulk of it as windfall.

I fully appreciate the precautions taken by His Highness' Government to regulate the drink traffic. Every attempt is made to discourage drinking. If in spite of this the revenue under this head rises, I do not see how the Financial Secretary may look upon this rise as normal. Drinking is a vice of recent growth. I do not understand the psychology of those who classify *drinkers* as legitimate and otherwise. No religion of the land and the morality of the country has ever sanctioned the use of intoxicants. The dominant religions of the country condemn drinking of intoxicants in unmistakable terms. There is thus no need to classify drinkers as above. Whether the number of the so-called *legitimate drinkers* has increased with the changed conditions of society or whether the increase is due to the facilities that exist in the matter of shops being opened at convenient places, within an easy reach of weak humanity, is for this Council to decide. The financial aspect of the department is a painful spectacle. The bulk of revenue comes from poor people and that too out of the funds which would otherwise procure them food-stuffs and clothing. In a country of *teetotalers* people have to listen to lectures on temperance. In a country where the traffic in drink ought to be suppressed, we have to see the *regulation* of it ; and that for the benefit of the legitimate consumer. Every attempt is to be made for eradicating this evil. I would suggest that a portion of the revenue under this head may be set apart for being utilised in the dissemination of knowledge and that a party of itinerant lecturers be employed for the purpose of explaining the evils of drink. The Financial Secretary has told us that the number of shops has been reduced. But the decrease is only about 2 per cent. This is not sufficient. I think that shops may be decreased in larger numbers, they must be located at rather inconvenient places, so that the drinker may have to take some trouble at least before he can reach the shop. If 10 or even 1 in a thousand people that resort to these shops give up doing so, as often as they do now, owing to the distance and inconvenient situation of the shops, I think, Sir, a distinct moral gain will have been secured and better time may be awaited. Reduction in the strength of arrack is alluded to as one of the means of minimising the evils of this intoxicant. I do not believe, Sir, that such a result will ever ensue. The man who is resolved to get intoxicated (and not simply stimulated as my honorable friend says) will drink

a large quantity of the arrack of reduced strength to get intoxicated to the pitch desired. He has accordingly to pay more than before and gets impoverished to the extent to which the excise revenue gets augmented at his cost. By making him pay more for his drink the department punishes his dependants, by depriving them to some extent of the means of purchasing the necessaries of life.

Re assessed taxes, I beg to offer a few remarks. The total earnings are only about 2½ lakhs. I seriously ask whether it is really necessary to exact from poor people who do not own assessed lands, house tax, or from oil-mongers, and petty shop-keepers, mohatarfa, when all the collections from these people do not reach even 1—100th of the revenues of the State? It is a matter of common knowledge that the originator of these taxes is generally the village accountant. Does he not in many cases book and in many more cases let go these poor people for some unknown reasons? Will not the tax-payer be, under the circumstances, out of pocket to a larger extent than what actually comes to the State's coffers? Time has come now for abolishing these taxes. There might have been a necessity for them years ago. But with our expansion of revenue on a vast scale this small item may be looked upon as negligible and abolished. The financial equilibrium of the State will not be disturbed and the gain to the poor will be immense.

Under Stamps the revenue has increased by 2½ lakhs during the last 20 years. The expenditure has remained practically stationary. Will it not be a justifiable thing if the stamp duty and court-fee are reduced and the litigant public given the benefit of their contributions to the public exchequer. The cost of litigation is heavy and is growing so day by day. Is it not very rightly said by parties when they come out of their forensic duel that the successful party is virtually defeated and the defeated party is verily ruined? In view of these facts, Sir, I think a reduction in stamp duty and court-fee is equitable and just.

The surplus revenues of Civil and Military Station have brought us quite a large sum of money. When this fact was announced, the public hoped that a bulk of it would be utilised for the sanitary needs of the outlying districts. You have given us a staff of sanitary officers without adequate funds at their disposal. We are favoured with their advices and schemes which we have not got the means to carry out. I looked in vain in this huge book to see if under 20 (*a*)—Sanitation and Vaccination—any special allotment was made for works. Now is the time, Sir, when substantial addition is made to the revenues, that a special grant for sanitary works in the districts may be made and that the energies of the department might be concentrated not on any single town or district as now but each district may be given a fair proportion of this surplus revenue. I come from the capital of the malnad. My town has suffered most from insanitary conditions. May I request the Government to grant us a small sum of two lakhs for our urgent needs? I say that this sum is small when compared to the grants made to Bangalore and Mysore. Works of sanitation are beneficial in two ways—they improve the locality and serve as object lessons to the surrounding country.

Under Education, Sir, a sum of Rs. 2,40,000, is shown as having lapsed in 1913-14. I do not think the department will be ever able to utilise the allotment this year by opening new schools and adding to the strength of the existing ones, unless the pay of the teachers of the Hobli and other Vernacular and A.-V. schools is substantially increased. It is within the recollection of the honorable members of this Council that the Hobli schoolmaster was being paid up to the year 1907, a *magnificent* sum of Rs. 7 a month. People through their representatives prayed for enhancement of the pay and the result is that their pay was increased to Rs. 10 a month. But if we take into account the rise in the price of food-stuffs, the present salary of Rs. 10 does not procure the schoolmaster, the same quantity and quality of his necessaries of life that Rs. 7 used to do 10 years ago. The department cannot therefore attract any recruits for the Primary and Lower Secondary Schools. It is only those that cannot get employment elsewhere or who cannot earn their living by trade or other means, seek entry into the Government service as schoolmasters. Unless, therefore, the starting pay of the schoolmasters in the above-stated schools is raised and prospects of promotion are clearly and definitely held out, I must emphatically state that no sufficient number and much less no good teachers can be got and that the expansion of primary and secondary education is well nigh impossible.

Speaking on the subject of Education, I cannot omit to make one or two more observations on the facilities for higher education in the State. Both of our two colleges are well manned and housed in excellent buildings. Liberal provision is made for laboratory and library equipment. But the accommodation for students in the I. E. classes is surprisingly small. True, the education budget is increased on a liberal scale, but this increase has not resulted in securing sufficient accommodation to a large number of our School-final boys. After the experience of last year when a good number of our students had to forego or put off their University career earlier for want of seats in our colleges, the public thought that steps would be taken by Government to meet the requirements of students this year at least by June last when the colleges were re-opened. To our disappointment the same predicament has overtaken our boys this year also. To add to their trouble there was much *avoidable* delay in the issue of the Secondary School-Leaving Certificate books, so much so that by the time the books were issued (about 19th June) almost all the colleges affiliated to the University in the Madras Presidency had registered a full complement of students in the I. E. junior class and the Mysore students could not get admission. To remedy this evil, I would suggest that a sum of about Rs. 50,000 be added to the education budget, a second grade college with provision for teaching subjects in group III History, Logic and languages be established at Shimoga and that additional classes be immediately opened at Mysore and Bangalore. An assurance by you, Sir, on this behalf will allay much disquietude and prompt action on the part of the department may be expected.

Under expenditure D (15) salaries, etc., I notice, Sir, that a sum of about 11 lakhs of rupees is budgetted for. Under the same head in 1894-95, a very modest sum of about 3¼ lakhs was expended and in 1904-05, a sum of about 7 lakhs was budgetted. I fail to see, Sir, why the Financial Secretary has not been able to explain this enormous increase. One is inclined to pause, when he sees that in 20 years the cost of the General Administration has risen more than 3½ times. For years, Sir, we have been treated to the accounts of retrenchments being effected by successive administrations; we were told that a few Revenue Sub-divisions were abolished, and some thousands saved; that a portion of the clerical and menial establishments of certain offices was abolished and a few hundreds of rupees saved. In spite of these retrenchments, I fail to see, how it happens that nearly 8 lakhs more is being spent on the salaries and expenses of Civil Department under General Administration. May I, on behalf of the tax-payer, request the Financial Secretary to enlighten the public on this mystery?

Under forests, Sir, the increase in expenditure has been very marked, *viz.*, *cent per cent*, from 4½ lakhs in 1894-95 to 8½ lakhs in 1914-15 in 20 years. I do not see why we should spend 4 lakhs more for disposing of what I elsewhere characterise as our hidden treasure or *Reserve Wealth*. It might be said that improved methods of working require extra establishments and charges. I do not know if such heavy charges are needed to *conserve* the forests. I mention this to show that the retrenchment committee may take up this department also, for its operation, as one that has out-grown its former dimensions rather abnormally.

State Life Insurance.—Sir.—We welcome the decision of the Government to throw open the Life Assurance scheme to officials in grant-in-aid or semi-Government institutions. This wise beneficent step is, the public believe, only an advance towards extending the benefits of this scheme to the general public.

It is a welcome news that the Financial Secretary has told us that the pay of the Civil Courts' ministerial establishments is to be raised. While the other departments of the Government especially the Revenue and Forest have had the pay of their staff increased more than once, the clerks in the Judicial Department had to be content with the scale of pay fixed 30 years ago. The revision has come not a moment too soon. With the increase of pay, I am sure the morale and efficiency of the service will be materially improved.

We have been told year after year that our revenues are always in excess of our expenditure and that the budget of every year shows a surplus, after making due provision for famine relief and insurance. The soundness of such a system where more revenues are collected than what is absolutely wanted, is always

doubted. If we collect more, the temptation will be to find the best means of spending it. Accumulated wealth incites us to some venturesome works, which may turn out to be of doubtful utility. Expenditure of large sums of money on such gigantic irrigation works as Marikanive would not have been undertaken, but for our hoarded wealth. Could not the fifty lakhs spent on building up the Marikanive dam have been utilized in constructing 50 tolerably big tanks, at one lakh a tank, spread here and there all over the surface of the country, to the benefit of much larger number of our agriculturists? And those fifty tanks, Sir, could have been constructed without straining the resources or stinting expenditure on necessary objects. Where, therefore, there is any likelihood of a surplus resulting, I think the most equitable procedure would be to announce a reduction or abolition of some taxes. Mohatarfa taxes, and stamp and court fee duties and registration fees lend themselves to such adjustments. The present rates may be accepted as maximum for all these taxes, to be reached only when there is any risk of a deficit. Schedules of varying rates may be framed and the rates for each year announced a month before the beginning of the year. This suggestion, Sir, may look novel, but novelty of the suggestion may not come in the way of its being given a fair trial.

Some of our agricultural products such as paddy, ragi, and oil-seeds are exported on an enormous scale. So also the skins and hides. The Economic Conference once suggested that a small export duty may be levied on these articles of export. I showed then that an *ad valorem* duty of 3 to 4 per cent on skins and hides alone would bring in about four lakhs of rupees a year. By levying this duty we would not only be augmenting our revenues but protecting our nascent leather-industry; we would also keep down to some extent the prices of food-grains like ragi and paddy. Our oil-seeds fetch a good value even in European markets. The imposition of a small duty will not retard the trade. It might be said that as ours is an inland country the levey of this duty is a very difficult task. Such difficulties are solved and not only export but even import duties are levied in the sister State of Hyderabad. The revenue under this head there, is about one crore of rupees.

I do not think it to be out of place to urge here on the attention of the Government the necessity for an urgent reform, a reform which will create a land-mark in the progress of civilization of this country. I allude to the separation of judicial from the executive functions. The literature on the subject is full of arguments and is so well known and the subject has been handled times out of number in so masterly a way by very eminent statesmen, that it is needless for me to repeat the arguments in its favour. The advantages of such separation are self-evident and the evils of the combination of two divergent functions are too patent to be detailed here. Suffice it to say, Sir, that it is a most anomalous position—a sad comment on the civilised nature of our administration—that the judge and the prosecutor, the petitioner and the granter of the petition, should be rolled into one official. The official concerned is many a time racked and troubled without knowing what to do best for this and that interest. Policy dominates his mental condition more than principles. If he is a sensitive but weak minded man his predicament is of a most unenviable kind. Pulled on one side by the official and traditional dictates of policy which he dare not set at naught on pain of "grave displeasure" and pulled on the other side and generally in an opposite direction by the promptings of his own native conscience, this poor official is obliged to describe what in the mathematical language is known as an erratic diagonal. In a word, his decision will be out of tune with either sides or justice even. This is the position of a really conscientious official.

The case of others, made of rather frail stuff, who want to get on by leaning one way or another may better be imagined than described here. It is to put an end to this undesirable state that I implore the Government, to allot some additional funds for the Judicial Department and appoint stationary magistrates for groups of two or more taluks. This officer should be subordinate only to the Sessions Judge. The scheme may cost the State in all rupees 50,000, a year. A beginning may be made in the few selected areas and gradually extended to all the taluks. A sort of separation was attempted in 1906 and is being continued even now, whereby the Munsiff is appointed a Magistrate also and the Amildar of the

Taluk is relieved of his Magisterial functions. The system is adversely commented on by the Executive officers and I am told that unfavourable reports are made by some Deputy Commissioners. This is as it ought to be. The Munsiff-Magistrate does not look up to the District Magistrate for his advancement. He is not of the official family in the district to which all other Magistrates belong. He is an alien, rather, " a strange individual who disposes of the criminal cases without the least regard to—nay, even in utter disgard for—the policy of the District Administration." No inference therefore need be drawn from the reports of the executive. The system is excellent. The Amildar relieved of his magisterial functions attends to his other important work (including revenue) better.

There is a growing feeling of uneasiness in the country that in our eagerness to pursue new ideas, the general administration of the country is given a secondary place and that consequently an inordinate delay ensues in the disposal of official papers. The budget shows that liberal provision is made for all services and that the Government expect its officeres to work with zeal and contentment. If this is done, the happiness of the people will be assured and benevolent intentions of the Government will be realized by the people.

In conclusion, I must congratulate the Financial Secretary on the prosperity budget he has presented. Although I do not share his optimism, that the present seasonal conditions are favourable for a good harvest, I hope that hereafter at least rainfall will be ample, seasonal and well-distributed, that the present anxiety will soon be allayed and that a bountiful Providence will save our country from the horrors of any scarcity.

MR. K. SHANKARANARAYANA RAO.—Sir.—We feel extremely grateful to our Gracious Sovereign, His Highness the Maharaja, for affording us this opportunity of discussing the budget of 1914-15, of placing before His Highness' Government our views regarding some of the more important matters relating to Administration and of submitting for the benign consideration of His Highness some of our urgent wants.

Before proceeding to lay my views before you, Sir, I have to state that on account of the short time at my disposal, it has not been possible for me either to enter into matters of detail or to make these observations as comprehensive as I should have liked to do.

It may not be out of place to mention here that it would be more advantageous, as well to Government as to the members of this Council, to publish the budget in future some longer time before the meeting to enable the members to discuss it in all its aspects. It would also very much facilitate the work of the various departments, in all cases in which new works have to be started or fresh schemes set on foot, to have the budget prepared at least a month or two before the beginning of the year. This arrangement is likely to reduce the lapses to a material extent or the overcrowding of works towards the close of the official year, by making it possible for the various departments of Government to take all preliminary measures for starting the works sanctioned for the year.

The Financial Secretary has very appropriately observed in the course of his speech that " in Mysore as in India generally it is the Revenue side which determines the character of the budget as far as the service heads are concerned " and that " the budget under service heads has therefore to adapt itself to the Revenue estimates." This proposition is perfectly correct as long as the expenditure during any year is based not on any temporary chances of securing a larger revenue but on a standard to be fixed after a careful study of the previous history of our finances and always, if possible, leaving out of account any fortuitous sources of revenue or any wind-falls that sometimes brighten our financial position. We have also to bear in mind the prospects of agriculture, always taking care to make as modest an estimate of the situation as possible.

Viewing the budget estimates from this standpoint, we have to deduct from the prospective receipt heads a number of items.

The mining revenue towards which a sum of rupees 19 lakhs has been put down is only in the nature of a more or less temporary source of income to the State. If we review the figures of receipts under these heads during a dozen years

past we find that this revenue rose from about 10 lakhs about fifteen years ago to 18·34 lakhs in 1903-04, and then gradually decreased to about 15·83 in 1907-08, when it began to rise again. We have no doubt reached a decent sum of about 19 lakhs. But there is no knowing what might happen any time and it is bound to go down sooner or later. The reports relating to the condition of the mines, no doubt, fill our hearts with hope, but we must in such matters be always prepared for the worst and the prudent course will therefore be to base our Budget regarding the recurring items of expenditure of an obligatory nature, without reference to such a fortuitous item of revenue and to utilize such items either to build up our financial reserves or to invest it on productive works with cautious steps. In framing the expenditure side of the budget, the sum of 19 lakhs appearing under this head has therefore to be left out of account.

The Cauvery Power Revenue of 17,58,000 and the realisations expected from the sale of water to the Kolar Gold Fields amounting to 2,29,300 also stand on a similar footing.

To this list is also to be added the item of interest under head "B B" of Rs. 13,94,000. The major portion of this sum represents the interest that will accrue on our surplus investments, which are more or less of a temporary nature, bound to disappear when productive works are undertaken on a large scale, and it is better that we safely leave this out of account in calculating the permanent sources of revenue.

There is no doubt the possibility of such productive works yielding us fair returns on the capital outlay in lieu of interest that we are earning at present, but, judging of our experience in connection with the outlay on the Marikanive project, it is always safer not to take a too sanguine view of such profits.

If, therefore, those as also the windfall of Rs. 13,43,000 of the surplus revenue of Bangalore assigned tracts are left out of consideration, we arrive at a sum of Rs. 2,18,68,000 under the receipt heads.

We have also to make due allowance for the seasonal conditions staring us in the face. For some years past we have been experiencing that there is either a scanty rainfall all round the year, or the rains are not evenly distributed which usually do more harm than good. Such a state of affairs has been referred to by the Financial Secretary in his very lucid speech. He observes "the serious defect in the *mungar* rains and the fitful way in which the South-West monsoon began to break showed that some caution was necessary in framing the budget for 1913-14." He says further on "it will thus be seen that of the three periods of rainfall on which our harvest of 1913-14 depended, the hot weather rains from March to May 1913, were deficient in quantity, the South-West monsoon precipitation from June to September was ill-distributed in time and the North-East monsoon showers from October to December were both deficient in quantity and ill-distributed" (para 14).

It is quite true that these unfavourable conditions did not adversely affect the revenue prospects during the last year for reasons referred to by him in para 19 of his speech. But the absolute holding off of the *mungar* rains this year and the consequent postponement of the preliminary agricultural operations and seed sowing, coupled with the unsatisfactory conditions of last year has made the situation quite alarming. Under these circumstances, am I wrong in saying that our friend has over-estimated the land revenue receipts for the current year when he expects Rs. 1,06,40,000 in excess of the actuals for 1912-13 and even the revised estimates for the last year? In striking a more appropriate figure under this head, we have to bear in mind the fact that unfavourable seasonal conditions very often reappear and financial history too some times repeats itself. I would, in this connection, remind you of the year 1905-06 which was one of unfavourable seasonal conditions in consequence of which the land revenue collections were 89·40 as against 94·99 lakhs for the previous year. Again in the year 1908-09 owing to prevalence of distress in many parts of the Province, the collections were only 87·57 lakhs as against 102·20 lakhs for 1907-08. There was thus a fall about 5·59 in the former and 14·63 lakhs in the latter case. Striking a mean we arrived at a sum of Rs. 10·11 or 10 lakhs roughly which might be taken as a standard for our guidance in budgetting our revenue receipts for the current year. I do not want to be

pessimistic and I only wish that Mr. Chakravarti's hopes will prove to be true but I should like to be cautious in framing an estimate. I would therefore fix a sum equivalent to the revenue estimate of last year less Rs. 10 lakhs, *i.e.*, Rs. 95,00,000 under this head.

If we accept this figure in the place of Rs. 1,06,00,000, we have to deduct 11,00,000 from the sum of Rs. 2,18,68,000 arrived at above and get Rs. 2,07,68,000.

For reasons that I will detail hereafter we have to deduct a further sum of about 6 lakhs under the Forest head, making also some deductions under some minor heads of revenue and basing our calculations in the actuals for 1912-13, we may take Rs. 2 crores as the approximate standard revenue for 1914-15.

As against this sum we have on the expenditure side a sum of Rs. 2,63,46,000 which, it has to be remembered, does not include the capital outlay of Rs. 95,17,000 on productive works.

Even if fortuitous and other sources of revenue and wind-falls are taken into consideration, the outlay on productive works exceeds the net proceeds of these items, *viz.*, 28 lakhs+13·43 lakhs or say 41·5 lakhs by about 44 lakhs. This is a startling figure having regard to the indefiniteness or the uncertainty of productive nature of the investments. But so far as the investments on State and subsidized railways are concerned we have no other alternative than to abide the chance as a network of railways is absolutely necessary for the material prosperity of the State.

The sum of Rs. 2,63,46,000 includes the expenditure towards the fortuitous items of revenue and if due allowance is made therefor the ordinary account comes to about 2½ crores. It has to be admitted that most of these items of expenditure are very necessary and are quite in keeping with the growing demands of the various activities which contribute towards the material advancement of the State. But it has to be remembered at the same time that expenditure has in recent years been showing an increase out of all proportion to the increase in our permanent and stable revenues. But I would respectfully point out that there is every possibility of curtailing expenditure in various directions. A few of such directions in which it might be possible will be dealt with later on.

Land Revenue.—Under this head, the expenditure 10 years ago, *i.e.*, in 1903-04 was 17·14 lakhs but according to the revised estimate of the last year it rose to 19·07 lakhs and for the current year the budget estimate is 19·80 lakhs. So there is an additional annual expenditure of 2½ lakhs under this head. It may not be out of place to mention here that from the standpoint of the tax-payer there has been no corresponding increase in the comforts given to him in the shape of redressing his grievances earlier than before. It is a notorious fact that the duration of the Jamabandy and the number of halts in the interior of taluks for this purpose are dwindling. The one reason that is often given is that the revenue officers are saddled now with more work than before on account of the increased activities in various departments which claim a considerable portion of their time. A closer examination of this question brings us to the question of the separation of judicial from executive functions.

Forests.—I now come to a matter which is equally important, *viz.*, the revenue under the "Forest Head," the figure being 28·20 lakhs. This figure is based on the sudden rise from 22·06 in 1911-12 to 32·94 in 1912-13 in Forest Revenue and the Financial Secretary expects that a considerable part of this rise is liable to be maintained in the future. He says he has arrived at the figure 28·20 with an amount of caution. Even then we have every reason to apprehend, that this is very much of an over-estimate.

It is an accepted principle that in increasing Forest Revenue due regard must be paid to the principle of conservation. We must have an idea of the potential capacity of our forests and the annual yield must not in any way affect such capacity. In fact, it must be something in the nature of interest accruing on invested capital. I for one have every reason to fear that the principle of conservation is—I cannot say knowingly—at least unwittingly overlooked. The subordinate forest staff, who are mostly concerned with the removal of timber and private agencies,

who purchase the right at auctions and collect large quantities of timber will necessarily take care to see that timber which is within easy reach is given preference over timber that gives more trouble in removal. They also take care that the best quality possible is removed. The same observations also apply to the case of removal of sandalwood. The result is obvious, the best and the most valuable trees within easy reach are fast disappearing, and we are enabled to have decent surpluses.

The Forest Department is, no doubt, ready with its answer that it has its working plans and Forest plantations and nurseries. But they have to admit that by the time the seedlings planted by them grow into trees of marketable value scores nay a hundred years might elapse and who knows what will happen to our forests by then if denudation should continue at the present rate. It is a matter of common experience, that now-a-days people find it very difficult to come across such trees of good quality, as they used to see a few years ago. There is also a popular belief which is supported by scientific opinion that denudation affects rainfall.

We have therefore to pay rather serious attention to this question. The figures for collection of timber by Government agency as per estimates of receipts under this head are Rs. 7,00,000 for this year, in place of the revised estimate of Rs. 4,15,000 for 1913-14, and Rs. 3,63,736 actuals for 1912-13. Larger estimates under Forest Revenue mean practically compelling the officers of the Forest Department to hunt for the best and the finest timber and put it in the market. I would therefore take the liberty of suggesting that a sum of Rs. 22 lakhs which was the actual figure realized in 1911-12 may tentatively be adopted.

Excise.—This is a very important item of revenue which has for some years past been playing a very important part in our financial stability and has been emboldening Government to increase recurring expenditure. The rise by leaps and bounds in this item of revenue has to be noted with a sense of alarm. The Financial Secretary is anxious that there should not be any increase on account of improved consumption; but that the policy is to take "reasonable advantage of increasing competition amongst capitalists who make a profit by licensing and renting shops, and by taxing the men who must drink under any circumstances." The nature of this policy is rather questionable.

You might remember that only a few days ago in reply to an interpellation by my friend Mr. Garudachar, the Second Member of Council, was pleased to state that the fact that the vend rental of country spirit in the Kolar Gold Fields area was more than the margin of profit, was first noticed in 1905-06, and that the peculiar conditions of the Kolar Gold Fields act as an inducement to arrack contractors to adhere to their profession even at a loss. The remedy, in the opinion of the Government, he observed, lay chiefly with the contractors themselves. You will be surprised to hear, Sir, that the same conditions prevail in all parts of the State and that the excess of vend rental over the margin of profit as disclosed by the actual consumption is on the increase.

The budget estimate has been placed at the modest sum of 46 lakhs. But the fact is that as far as I have been able to gather, at least so far as the Shimoga and Kadur Districts are concerned, the Excise Department has been able to secure higher bids at the recent sales than those of last year and on this assumption it will not be too much to expect that the actuals for 1914-15 for the State will be much more than the revised estimate for 1913-14, *i.e.*, are bound to be more than 52·20 lakhs which will make it over 59 per cent of the entire land revenue.

If we compare the figures relating to the incidence of total Excise Revenue and the consumption per head of population, we find that in the place of 11 annas and 2·8 drams of arrack respectively in 1901-02, we find 14 annas 4 pies and 3·8 drams respectively for 1912-13. How can we then deny that the drink habit is eating into the vitals of our society?

It is very much to be regretted that in spite of our knowledge that conditions of a most extraordinary kind prevail regarding this increase in revenue, nothing has yet been done to investigate the question thoroughly and to remedy the evil. As long as it is admitted that capitalists do make a profit even after agreeing to pay vend rentals much in excess of the margin of profit the conclusion is irresistible that the poor drunkard who is already miserable is defrauded by the vendors.

The acquiescence on the part of Government, who are admittedly aware of this strange phenomenon, in the increased realisations at Excise auction sales, and the favourable notice always taken of the exertions of Excise officers and officials in securing higher bids always engenders a belief in the minds of the defrauding arrack vendors that their fraud is, though not actually approved of, at least tolerated by the public authorities. I have not the least hesitation in believing that Excise officials do share a portion of the blame that attaches to the vendor. This is the only possible inference that one is led to, the more closely one pursues this enquiry. I would therefore respectfully urge, for your kind consideration, that a strong commission of enquiry be appointed to investigate this question thoroughly and to arrive at a satisfactory solution of this unhappy problem.

Excise revenue collected in towns comes mainly from the labouring classes on account of the extraordinary rise in prices of food-stuffs during recent years and the consequent increase in the standard of wages, the labourer is now in a better position to spend more on intoxicants. There is thus a fabulous increase in Excise Revenue in towns and cities. But in proportion to such increase have we made any serious attempts to ameliorate his condition to improve him mentally or morally or to give him better habitation? In my humble opinion, it is unfair for the State to levy any claim to such items of revenue which ought properly to be spent within the limits of the town or city concerned for purposes of improving sanitation and for affording better facilities for the spread of education. I have every confidence that this question will engage the consideration of Government and corresponding alterations will be made in the budget.

Assessed Taxes.—The question of the abolition of mohatarfa is a matter that is being urged for sometime past before Government by some members of the Dasara Representative Assembly. It is quite an unfortunate circumstance that the tax-payer under this head is very often the unfortunate man that is defrauded by the arrack vendor. Having regard to this fact, and in view of the difficulties in collecting this comparatively small source of revenue which is not more than 2½ lakhs, including assessment on vacant building site, the mohatarfa tax may safely be abolished. If we go deeply into the practical side of this question we find that the shrewd and intelligent raiyat evades payment or pays less than he ought to, and it is only the ignorant raiyat that is made to pay more than he should and that helplessly affords opportunities to mischievous village officials to defraud him. In fact, this is an item of revenue that is wrung out of poor people that find it difficult even to make both ends meet. I would therefore humbly propose the complete abolition of this item of taxation. The loss to Government is more than counterbalanced by the real happiness the total abolition is bound to bring to the poor non-agricultural raiyat that is at present the subject of this tax.

Law and Justice.—The question of the separation of judicial from executive functions is a matter of great importance. It is an admitted fact that justice administered by executive officers is not as satisfactory as that dealt out by purely judicial officers. It is also recognised that the Taluk Amildar who is also discharging magisterial functions has at present more work than he can possibly do full justice to. In addition to the various items of works that have fallen to his lot from time immemorial he has a variety of extra duties thrown on him in connection with the works of the Economic Conference, the Town and Taluk Progress Committees and the Village Improvement Scheme, not to speak of the additional burden thrown in malnad taluks on account of the Malnad Improvement schemes. While all the higher bodies like the Central and District Committees merely discuss matters and pass resolutions it is the Taluk Amildar that has ultimately to collect materials for them and to give practical effect to their suggestions. Under these circumstances, it would be cruel to expect him to attend to judicial work also. Further, he happens to be the Taluk Head of Police and all police diaries are to pass through him. He is supposed to direct all police investigations generally and to supervise all police work. This is highly inconsistent with the exercise of judicial functions.

The principle has, I believe, been accepted by Government. The Judicial Conference which sat last month has almost unanimously resolved that such a separation should be effected early. It is requested therefore that Government may

be pleased to give early effect to this proposal and necessary funds may be allotted for the purpose.

Education.—I deem it a great privilege, Sir, in this connection to give expression, on behalf of His Highness' subjects of the Shimoga and Kadur Districts, to the feelings of gratefulness to Their Highnesses the Maharaja and the Yuvaraja for the keen interest they have been taking in all branches of administration and, in particular, in the matter of the educational advancement of their subjects.

It is really a matter for gratification that increased grants are being made year after year under this head. But it is very much to be regretted that considerable sums are being allowed to lapse. We hope the Government will insist on moneys sanctioned, especially for this department, being properly spent during the year and not allowed to lapse. It may not be out of place to mention in this connection that when we are all so very eager as to have a University for Mysore we should *not* feel quite content with the scanty accommodation afforded by the only two colleges in the State.

During recent years, especially after the introduction of the new scheme regarding the School Leaving Certificate Examination, the number of boys who are supposed to be qualified for entering colleges has considerably increased. The future career of these unfortunate young men is beset with a great many difficulties. Their results are not published in the Gazette. Their certificates are not given in time with the result that they lose all chances of getting admission in the colleges of the Madras Presidency. More than all this, our own colleges in the Province can barely accommodate 500 of their number. Is it not really curious, Sir, that we should be discussing about the possibility of having a separate University of our own when we cannot even provide our young men with accommodation in our own institutions ? Should we not, first, more appropriately think of increasing the number of colleges in the State ?

This brings me to the question of praying Government that a college may be established in Shimoga for the benefit of the malnad boys. This has been felt to be a pressing necessity and the question is being urged before Government as often as possible. With the opening of new railway lines in the Shimoga District, the interior of the malnad will be opened up and the question will then become all the more pressing. The establishment of a college at Shimoga will help the spread of enlightenment in the malnad to an extent that will otherwise be impossible to attain.

I may also be permitted to mention, in passing, that the revised rules recently published regarding the pay of teachers without English qualifications has been the occasion of some discontent among the teaching staff, which we have reason to fear is likely to tell upon the general tone of their work. Will it be too much, Sir, for me to ask that the matter may kindly receive your early attention ?

Public Works Department.—The provision made under this head for expenditure is higher than one would expect, having regard to the permanent revenues of the State. The department has a big establishment which is quite sufficient to attend to all branches of its activities. A number of big schemes have been taken on hand and there are activities visible in various directions.

But there is one point which deserves special notice regarding the work of the department. Some years ago when the department was not half so well manned as it is at present, our State had made quite a name regarding the excellent condition of its roads. But to-day, in spite of greater facilities and ever increasing and recurring grants, the condition of the roads is very unsatisfactory. This has been a subject of criticism and this grievance is being ventilated in newspapers; so much so that it has recently been the subject of a leading article in one of the prominent Madras dailies. The fact appears to be that on account of pressing demands of work in connection with big schemes the roads are perhaps neglected. Another reason is probably the fact that the District Boards have no control over the Public Works Department affairs. The remedy lies, in my humble opinion, in restoring the system that was in vogue before the year 1879 when Local Fund works were being executed by a separate Engineering Establishment. The necessity for such a course was urged so long ago as 1892 in the Representative Assembly and has been repeated many a time since. This arrangement is likely to secure better results as there will be the effective supervision of the District Boards.

This is also the view expressed by the Imperial Decentralization Commission. It is also a step towards improving the scope of the work of local self-government.

It is no doubt necessary that separate allotments will have to be made for this purpose. But I think it should be possible to arrange to appoint officers from the present Engineering Establishment for this purpose and it will only reduce itself to a question of re-adjustment and re-appropriation.

The question of increased facilities for irrigation may also be referred to in this connection. The uncertainty of rainfall experienced during recent years has emphasized the necessity for expenditure on extraordinary public works. The Kannambadi project is apparently the biggest item on the programme to meet such requirements.

Grants are no doubt being made for the construction and repairs of tanks in parts of the State. But if we carefully compare the figures for some years past we find that there does not seem to be any appreciable increase in grants under ordinary major and minor irrigation works. The precarious nature of the rainfall requires greater allotments being made for this purpose. So far as the Shimoga District is concerned, I may remind you, Sir, that the Bhadra project requires early attention.

I wish to say one word about the utilization of the Irrigation Cess Fund. I believe the object of raising such a cess is to attend better to the local irrigational needs of every district but not to improve any one place at the expense of others. If we take the figures for the Shimoga District during the last year we find that out of a sum of 50 or 55 thousand collected in the shape of Irrigation Cess only Rs. 6,000 was spent in the district. This, I venture to submit, is really unfair. I would therefore propose that this item of revenue or at least a fixed percentage of the same should be placed at the disposal of the District Boards for being utilized for the improvement of irrigation in their respective districts.

I do not wish to close my observations on the Public Works budget without giving expression to my desire that details of the public works proposed to be sanctioned during the year should also be published for a careful scrutiny thereof by the Council.

Sanitary and Other Improvements.—We from Shimoga are extremely glad that a grant of Rs. 23,000 has been made for improving the water-supply at Shimoga. With this question the other matter that calls for the immediate attention of Government is the necessity for giving a grant for drainage and building grants to persons that intend to build in the extensions. When such grants are so constantly made to the Municipalities of Bangalore and Mysore which are better off than places like Shimoga financially, may not the poorer Shimoga Municipality venture to have at least as much claim on the benevolence of Government? I may also urge in this connection that Shikarpur in the Shimoga District and Tarikere in the Kadur District are in need of water-supply. The water scarcity felt during the hot weather in the latter place was so keen that the matter has become a pressing necessity.

The Economic Conference and the Malnad Improvement Schemes.—The inauguration of the Economic Conference and the Village and Malnad Improvement Schemes bear ample testimony to the anxiety of Government to improve the condition of the people as far as possible and to foster in them a spirit of self-reliance and active co-operation.

Regarding the Economic Conference a large grant of Rs. 2,13,800 has been made, which is exactly one lakh more than the revised estimates of last year. Out of this sum, Rs. 25,040 have been allotted for District Committee work and only Rs. 6,000 for Taluk Progress Committees. The balance, *viz.*, Rs. 1,82,760 is made available for expenditure at headquarters.

The matter being of some importance, I beg leave to make a few observations.

In the present state of our economic development and with the limitations that exist regarding the possibilities of expansion economically, the progress must, if it should be permanent and enduring, be necessarily slow. I do not think this is a matter in which rapid progress is possible. The desire to improve and enthusiasm, if of spontaneous growth, will bear fruit early. If it is excited artificially by argument and reasoning it will only show temporary signs of life and will sooner

or later disappear. Much cannot therefore be expected by maintaining a highly paid establishment in Bangalore. On the other hand, greater expenditure in the interior of the districts for purposes of demonstration and experiment is more likely to yield better results.

Even as it is, it would be better if the Secretaries of the respective branches of Agriculture, Education, Industries and Commerce were to be appointed from the respective Technical Departments. In fact, as long as we have a separate Agricultural Department manned by officers with technical qualifications, where is the necessity for having a separate Secretary therefor? Why should a separate clerical establishment be maintained when there are a sufficient number of hands working under Dr. Coleman? The same observations apply to the Education Committee.

In regard to the Committee for Industries and Commerce and the Department of Industries generally, I may be permitted to observe that one of the Superintendents of Industries and Commerce may well be the Secretary to the Committee. The limited scope of work for a separate Department of Industries and Commerce, the poverty of the people to start any industries, worth the name, on a large scale and the possibility of securing experts whenever necessary render the existence of a separate department with a high-salaried Director absolutely unnecessary.

In fact, Sir, you will pardon me when I say that it looks as though large establishments have been entertained in the honest anticipation of finding work for them. But, as a matter of fact, the conditions prevalent appear to make it not quite possible to find enough work. I would, therefore, propose a reduction in the grants under the head of Economic Conference and the Department of Industries and Commerce. All the same I feel highly obliged to Government for their readiness and anxiety to help us to the maximum possible extent.

Regarding the practical working of the Malnad Improvement Scheme some difficulties are being experienced. One Special Officer for three districts cannot possibly do justice to the work expected of him. The area that he has to tour through very often is so extensive and the conditions for study so very varying in their nature that it can never be possible for him to be of any real use. The malnad Amildars are also, curiously enough, subjected to a sort of dual authority of their respective Sub-Division Officers on the one hand and of the Special Officer on the other. Under the existing arrangements, nearly 50 per cent of the grant under this head will have to be spent for establishment charges and only the balance will be available, and has to be spread over a number of taluks. Can any tangible results be expected therefrom? It would be fair to fix the establishment charges at about 20 to 25 per cent of the total grant, making the balance available for village improvements. The grant will also have to be doubled if any really useful results are to be secured.

I wish to lay some stress on one other point. Officials in the malnad are treated in point of prospects just like their brethren in the maidan. I am sure such of the gentlemen here as have served in the malnad will bear me out when I say that unless the pay and prospects of these malnad officials of all departments are improved it would be impossible to improve the tone of the lower official staff. The pittance of an allowance at present given to the taluk official is nothing when compared to the financial, climatic and other conditions that he has to contend against.

There remains only one other matter that I like to press, *viz.*, the question of collecting up-to-date statistics regarding religious and charitable endowments and of subjecting them to effective official supervision. There is a feeling all over the country that properties which ought properly to belong to one institution are enjoyed by persons who have nothing to do with it and that in some instances the religious or charitable institutions have long ceased to exist and the emoluments or properties relating thereto are being enjoyed by persons who have no claim to do so.

This is a matter of very great importance as it is one that will enable us effectually to conserve and to secure from apparent misuse and waste an important item

of our material resources, with great possibilities for consolidating and advancing the interests both of well-directed charity and of education as well.

As regards the local wants of the Shimoga and Kadur Districts, I feel constrained to refer only to a few of them in view of the increasing expenditure with which we are confronted by the budget that we are discussing to-day.

I have already referred to the necessity for sanctioning grants for the improvement of the Shimoga Town for drainage and house-building in the extensions and to the necessity of starting work in connection with the Bhadra Project. I have also referred to the necessity for giving a water supply to the Shikarpur Town. The question of introducing railways in the Shimoga District is already engaging your kind attention and I see a sum of Rs. 1,00,000 proposed to be sanctioned for railway construction. This, I am afraid, is too small and I hope Government will see their way to enhance the same.

Regarding Kadur which is a coffee district, there is a pressing necessity for the construction of a railway line between Kadur and Chikmagalur. The Indian coffee planters, many of whom are at present very heavily indebted, stand in need of a bank that will advance them moneys on the security of unworkable properties. You will be surprised to hear, Sir, that our planters are sometimes obliged during the working season to raise loans on interest varying from 24 to 30%. The sooner this state of affairs is put an end to the better it is for this district. I therefore pray that arrangements may kindly be made to establish a Government Agriculture Bank at Chikmagalur to meet favourably the financial requirements of planters and other agriculturists in the Kadur District.

Subject to the observations referred to above, I beg to express my gratification at the thoroughness of the budget which our worthy Financial Secretary has so splendidly prepared. Before I close, Sir, I feel bound to tender to our gracious Sovereign, His Highness the Maharaja, on behalf of his loyal subjects of the Shimoga and Kadur Districts, our heartfelt gratitude for the various measures of public utility and benevolence sanctioned by His Highness for the increased prosperity of the State. Our thanks are also due to you, Sir, for the earnest and patriotic endeavours you have been making to improve our condition in all manner possible.

B. NARASINGA RAO.—Sir.—I congratulate the Government of His Highness the Maharaja on the prosperity budget placed before the Council for consideration.

The Financial Secretary to the Government of His Highness the Maharaja deserves to be heartily thanked for his able financial statement which he has placed before this Council and for the instructive and interesting speech delivered by him in introducing the same.

Sir, a budget estimate is liable to be affected by causes beyond human control, a fact which the learned Financial Secretary is not slow to admit. Nevertheless, I cannot but express my appreciation of the cautious estimates framed by the Financial Secretary.

Seasonal conditions.—The year just gone by cannot be considered a prosperous year from a tax-payer's point of view. The Financial Secretary has himself been pleased to tell us that in all the 3 periods of rainfall, rains were not only deficient in quantity but also ill-distributed. The consequent outturn of the crop must have necessarily been seriously affected. According to the Financial Secretary himself, the general average outturn of ragi the staple food of the bulk of the population was only 8·7 annas, paddy 11·1 annas. In spite of these adverse circumstances, that the Government was able to realize revenue over and above the original estimate is a matter for congratulation. I doubt very much whether this was necessarily an indication of the ability of the people to pay. However, it may be taken as a proof of the energy of the officers engaged in collection duty who have all the forces of Government at their back.

Agricultural Department.—The Agricultural Department of late, has been receiving careful attention at the hands of the Government. The strength of the department has been considerably increased. Seeing that more than ¾ of the population depend entirely upon agriculture, it is nothing but fair that the department engaged in imparting instructions on improved methods of agriculture should

receive sufficient recognition at the hands of the Government and so the classification of this department under a separate major head is commendable. It is earnestly hoped that the officers of the department will endeavour to their utmost to remove ignorance from our raiyats who are still engaged in their primitive method of cultivation and introduce such reforms as are beneficial to them.

Excise.—The Excise Revenue has been showing a steady and unabated increase every year. As observed by the Dewan Sahib in his Dasara Address of last year, "this abnormal increase is not a matter for congratulation although it doubtless means that illicit use is kept down at a minimum." The Financial Secretary also has expressed the same sentiments. From the observations made by the Financial Secretary himself, it is very clear that the extension of the drinking habit as an important cause for the abnormal increase in the Excise Revenue has not been eliminated. In spite of the reduction in the number of shops, the shop-rent alone shows an increase of 23 per cent. Taking into consideration that large productive works such as Kannambadi Reservoir, New railway lines and IV Installation of Cauvery Power scheme are in progress and they have attracted and will attract a large number of wage earning population the majority of whom consider drink a necessity, it may safely be predicted that at least for some years to come, there is no prospect of Excise Revenue falling off appreciably. It is difficult to see how the extra revenue realized under this head is not due to increased consumption and it is fallacious to say that the receipts are merely fortuitous. We ought therefore fairly to take Excise revenue for 1914-15 at least at 52 lakhs as in last year and certainly not at 46 lakhs as shown in the budget estimate now under consideration.

Forest.—The revenue under this head has also shown a heavy increase which is accounted for as the result of the unexpected price obtained by sandalwood sale. Barring this revenue from sandalwood, the revenue derived by the sale of timber alone has been showing a steady increase. On a reference to the Administration Report for the year 1910-11 and also to the budgets for the years 1912-13 and 1913-14, I find that the revenue derived by the sale of timber as shown under Forest 2 A and 2 B is :—

	Rs.
1909-10	 4,20,444
1910-11	 4,14,645
1911-12	 5,04,609
1912-13	 5,37,655
1913-14	 6,10,000

(Revised estimate.)

This increase of revenue in timber is attributable to the felling of large number of trees in the forests. It was represented by the members of the Representative Assembly that steady denudation of forests was prejudicial to the timely rainfall and that the trees in the forests should be sparingly cut. For the year 1914-15, the revenue from timber alone is estimated at Rs. 8,75,000. This increased estimate will be an incentive to the Forest Department to try their best to reach the level of the estimated income and, in doing so, they will be obliged to arrange for the exploitation of a large number of trees. This would act prejudicially to the interest of the public in more ways than one. It may be said that increased revenue in timber may partly be due to the favourable rates obtained in the market, whatever the cause of increase may be, it is humbly suggested that Government should pursue the beneficial policy of protecting, preserving and expanding forests.

Education.—The amount allotted for education this year is Rs. 18,08,000. This grant, though more liberal than the grants allotted hitherto, is however quite inadequate. But on a reference to the provisional budget estimates under discussion, I find that the amount of expenditure provided for the Arts colleges for boys is Rs. 2,03,364. Out of this sum if the amount of expected savings and the amount set apart for the Botany Laboratory in Central College are deducted, the net grant will come to about Rs. 1,88,000 for both the colleges. Of this sum, Rs. 26,850 is provided for establishing the Honours course. In order to facilitate admission to the Intermediate class of such of the students who desire to prosecute their studies,

no additional provision seems to have been made though a lot of inconvenience was felt last year by the non-admission of many students to the Intermediate course for want of seats. Some of our students who had sufficient means had to go to distant places in British India at a heavy cost and to the prejudice of their health. Such of those whose means were slender were obliged to discontinue their studies. This year also I learn that no less than 200 students have been denied admission to the Intermediate class, of whom not less than at least 100 may be presumed sufficiently qualified for admission. Education of the people is one of the most estimable boons conferred on the subjects of His Highness the Maharaja. No sentiment can be more humane, and sympathetic than that graciously expressed by our sovereign His Highness the Maharaja in opening the first Economic Conference that, "Education is the sovereign remedy for all economic evils." Our people are wide awake to the benefits of the education and are eager to receive it. With regard to collegiate education specially the Intermediate course, there is a great need for expansion. Unless more sections are added to the existing colleges or some of the high schools are raised to the status of second grade colleges, many students who are eager to secure higher education cannot get that benefit. It may take some time to convert some of the high schools into second grade colleges. Till then some more sections of the Intermediate class may be added to the existing colleges so as to enable all Mysore students to prosecute their studies profitably within the Province. These questions cannot under the existing state of things afford to wait till a decision is arrived at on the question of establishing a University for Mysore. I therefore suggest that before the budget is finally passed by the Government adequate provision may be made to increase the grant to Arts colleges for the purpose of opening more sections in the Intermediate course. On looking to the list of important public works for which allotments have been made in the budget, I find an item of Rs. 20,000 for constructing quarters for professors of Central College. I feel unable to understand the necessity or obligation of providing buildings for the professors of colleges.

Registration.—Under this head, there is a saving of nearly a lakh of rupees after meeting the expenditure. Fees for registering documents are not considered a source of revenue to Government. This department is created only for the purpose of giving to the public better security of title to their property and for the purpose of preventing, as far as possible, forgery and fraud. The scale of fees for registering documents which is considered to be rather heavy may therefore safely be reduced. If this is done, it will induce people to get more documents, even of an optionally registrable nature registered and the income under this head is sure to be augmented.

Health Department.—The standing orders relating to the department have divided the officers of this department into 2 classes, *viz.*, Health Officers and District Sanitary Officers. The pay of the former is higher than those of the latter. The Municipalities of Bangalore and Mysore Cities and the Kolar Gold Fields Sanitary Circle are required to have the services of Health Officers and districts are to have District Sanitary Officers; contrary to the standing orders two highly paid Health Officers whose pay should be borne by the City Municipalities and Kolar Gold Fields Sanitary Circle are employed in the district work. This has caused a loss of nearly Rs. 4,000 a year to Government and deserves to be rectified.

House and Office Rents.—House rent so far as I am able to see is not granted on any fixed principle. It is necessary to lay down rules as to the officers entitled to house rent, and the scale of rent to be allowed to them. As an instance, I may quote the Superintendent of Vaccine Institute, whose pay is Rs. 120, is given Rs. 50 as house rent per month, as will be seen from the budget page 146 under detailed account No. 20 A.

From the statement furnished to me the other day in answer to my questions in this Council, I see that Rs. 1,500 is being paid every month as office rent of various public offices held in private buildings in Bangalore City alone. On a rough calculation, it will be seen that Rs. 1,40,000 has been paid till now as such rent. A commodious building at a cost of about 5 or 6 lakhs may be constructed and the amount required can easily be spared taking into consideration the state of finance. By this, there will be a saving of Rs. 18,000 a year and the building can

be constructed with due regard to the wants and convenience of public offices. Further, by locating all the important offices in one and the same building, it will facilitate public business, avoid delay in the transmission of papers and getting references by means of unnecessory and avoidable correspondence. Rupees 18,000 now paid as rent every year works out as interest on 4½ lakhs of 4 per cent per annum. From the Government Savings Bank Accounts, I learn that about 80 lakhs of rupees are now in deposit upon which Government have already been paying 3½ per cent interest. The amount required may easily be raised, if necessary, at 4 per cent.

Salaries and Expenses.—Under the head of Economic Conference, Rs. 2,13,800 is provided for the expenditure for the current year. I am not one of those who have not realised the usefulness of the institution and I am glad to say it has stirred up our people into activity and made them realize their backwardness. But the expenditure on this head is not considered quite in proportion to the work turned out. I only voice the public feeling entertained even in well-informed circles, if I say that the establishment employed in this connection is rather costly. In finally passing the budget, Government may kindly take this into consideration and reduce the expenditure at least by 1 lakh of rupees.

The pay of subordinate officers of the Police Department deserves to be revised. The pay of the Inspectors and Jamadars is too low to expect educated men to seek employment in the department or remain in it. These officers are entrusted with the responsible duties of investigation and inspection. The success of a case depends entirely upon the intelligence of the investigating officers, earnestness exhibited by them and above all on their integrity. It is therefore necessary to improve this branch of service to attract intelligent men and to keep them above temptation. I therefore suggest that at least Rs. 50,000 may be provided in the budget for this purpose.

The pay of the ministerial establishment of the Judicial Department was fixed many years ago. To meet the ever increasing cost of living, consequent on the dearness of food-stuffs and other incidental expenses, their pay is barely enough for fifteen days in the month. The announcement by the Financial Secretary of having made a special provision for the revision of pay of this establishment will be valid with satisfaction if the salaries of the subordinate staff are equitably increased. On behalf of the public, I beg to thank the Government for the allotment of 3 lakhs of rupees for Village Improvement Scheme and I sincerly trust that the money will properly be applied and utilised.

I may be excused, if I say that the impression has been gaining ground in the public mind that every department in the State is top-heavy. Though people have an incomplete knowledge of statistical study and though they cannot assign cogent reasons for their conclusions, there is the impression left on their minds. It is difficult for a non-official member as an outsider to lay his finger and point out which portion of the establishment is superfluous. A strong representative Retrenchment Committee alone can carefully thresh out this aspect of the question and disabuse the mind of the public, if they are wrong in their inferences or if there is any truth in the popular impression to point out to the Government for retrenchment being properly effected.

At the last meeting of this Council, you were pleased to invite, Sir, the opinion of the members as to what steps Government should take if the threatened scarcity were to culminate in famine. Mungar rains have completely disappointed the people and the jolam crops have withered. Fodder has become very dear. In some parts of the State with which I am intimately acquainted, I learn the cattle are fed on leaves cut from avenue trees. State forests may be thrown open free for grazing purposes. Ragi, the staple food of millions of His Highness' subjects is sold at 10 to 11 seers a rupee. On the whole, I regret to say, that the outlook is gloomy. If this state of things is to continue, which God forbid, till the end of this month, the Government will be obliged to face a critical situation. Such of the able-bodied men as are accustomed to work for wages will no doubt go and work as coolies in the large productive works which are in progress. There are people who will be unwilling to go to distant places to work and earn their bread and it is therefore necessary to create work for them in their own neighbourhood.

Earthwork may be executed to all the tanks be they major or minor; wells may be sunk in villages wherever they are needed. These will enable the people to work and earn their wages and tide over the famine. There is yet another class of people who feel ashamed to go and work as coolies for whom reasonable amount may be advanced for the purchase of fodder and food-stuffs with a provision to return the same on easy instalments.

In conclusion, I am happy to say that the presence of His Highness the Yuvaraj amidst us has added materially to the dignity of this assembly and this condescension in this behalf is an unmistakable proof of the parental interest the Royal House of Mysore has been taking in the welfare of the subjects.

MR. S. VENKATESAIYA.—Sir.—I beg to associate myself with the expressions of deep gratitude to which my friends have already given expression to His Highness the Maharaja for giving us larger opportunities to bring non-official opinion to bear on the ordinary affairs of administration as well as in shaping the policy of Government. The Financial Secretary in his able speech in which he has introduced us into the mysteries of the budget has observed that the budgets always depended upon the Land Revenue of the State. He also stated that the seasonal conditions this year were not as hopeful as one would have wished though the revenue from this source has been estimated by him at 106 lakhs, which is really a lakh more than last year. Some of my colleagues have stated that this is an estimate much larger than can actually be realized. But it appears to me that we may look at it from another point of view and that is that in spite of the anxiety felt by the raiyats, the apprehensions of a bad season need not necessarily affect our finance seriously. Whether the item of Land Revenue is over-estimated or not the general stability of our financial situation need not be disturbed by it. It may be observed that among the other items that contribute largely to our revenue are Forest and Excise. Excise Revenue has been estimated rather over-cautiously. Among the reasons that have contributed to the increase in Excise Revenue, the chief may be said to be the increase of drunkenness. Mere under-estimation may not reduce consumption. The Financial Secretary offers consolation in the fact that it is due to competition among capitalists but competition among capitalists when it trenches on the margin of profits necessarily leads to the capitalists stimulating consumption. This is a matter for serious reflection and I respectfully ask that Government may cause the matter to be thoroughly investigated at leisure by experts.

As regards Forest, it has been observed by my colleagues that there is fear that the forests are over-worked, but judging from my experience of the ghat forests of the malnad, I do not share their fear. On the contrary, especially in the malnad, there is ample room for exploiting. I can say that the revenues derived now are not as much as they ought to be.

The most interesting portion of our budget which falls on the revenue side is the one to which the Financial Secretary referred with great hopefulness, *viz.*, the item of railways. Enormous amounts have been invested and we are assured that this property is satisfactorily rising in value and that it may yield larger revenues. In view of its great importance, it is desirable to have a clear idea of the terms of contract and other causes that govern them and I request the Financial Secretary to give us detailed information in regard to them. The Financial Secretary has stated that the percentage of working expenses to gross earnings is expected to be so much as 58·5, in 1915. I see that in 1910, it was 57·99, in 1911, 56·85 and in 1912, 54·53. The average for the three years for all the railway systems in India comes to 51·53, *i.e.*, about 3 per cent less than in 1912. This matter requires more careful consideration.

Passing on to the items of expenditure, the general observation that I would make is that it shows a progressive policy of development in every department of the State and it only remains for us to hope that these grants will be fully utilized. But it must also be said that these grants are sometimes made in the hope that schemes will mature and that the departments will be able to utilize them. When it is found that they will take time, schemes are launched in a hurry and there is a tendency for spending as much of the grants as possible in their anxiety not to allow the grant to lapse. When the heads of departments are allowed to believe that they can get large grants on mere promises it leads them on to more extravagant demands. When the time for fulfilment comes, things are done in such a

hurry as to make waste unavoidable. Therefore, I think that it will be better if in budgetting, the error of overestimation, not allowed to go so far.

I should like to observe that the charges for the collection of the Forest Department is out of all proportion to the revenues of the State. The Forest Revenue was in 1903 only 19,59,000, in 1913-14 it was 33 lakhs. The expenses of collection has more than doubled. The increase in revenue is due in no small measure to the fluctuations of the sandalwood markets rather than increased activity in collections. Therefore, there seems to be no justification for increased expenditure in this respect.

It has been mentioned by the Financial Secretary that our finances may be divided into 2 main classes, *viz.*, ordinary revenue and adventitious revenue. He complained that our normal revenne out-stripped our normal expenditure. Therefore whenever these grants of a recurring nature are made for purposes of administration, the greatest care ought to be exercised to see that there is no extravagance. High hopes have been raised by the constitution of the Retrenchment Committee but our hopes have not been realized though the committee has been labouring for a long time past.

Another small item, *viz.*, Rs. 23,000, which has been allotted for improving the pay of clerks of the Judicial Department calls for consideration. Though the sum is small, the relief expected to be given to litigants is so great that we are deeply grateful to Government. In this connection, I may make an observation regarding the general policy of judicial administration. The failures of the bar are sometimes taken as clerks with the hope of promotion as Munsiffs. This causes discontent among the subordinate staff and also deterioration in their work. In the interests of the litigant public and of the service, this practice should be stopped.

The most striking feature of the financial situation, however, apart from items of revenue and expenditure, is the enormous hoardings which are held by Government. It is an accepted principle of finance that no more should be taken from the people than is necessary for the administration of Government. When more money has to be taken from the people it should be given back to them by social and economic advantages. It is a great wrong if at small interest these funds are invested otherwise. We have no up-to-date statistics of the surplus investment fund. I estimate it at about 2½ crores. Accurate figures may kindly be supplied. I would also urge the necessity for supplying the public with more detailed statistics as is done in British India. The policy of Government in having removed the limit of individual deposits of Savings Banks has greatly been appreciated by the public, but as it increases the liability of Government it is incumbent on them to utilise the funds to the greatest advantage. The surplus investment funds include the Savings Bank, Insurance, Famine and other Sinking Funds. All these, leaving the cash balance necessary for working the treasuries, may be utilized for financing reproductive works. It is true that we have good credit, yet if we go to the open market there may be difficulties in getting money. Therefore it may be open to argument as to what proportion of the Savings Bank, Insurance, Famine and Sinking Funds may be utilised for reproductive works. But a substantial portion of these funds and the entire balance of the surplus investment account ought to be invested as soon as possible in reproductive public works. There are three kinds of reproductive works, *viz.*, the railways, irrigation, sanitation and education. Railways and irrigation bring cash to Government while education and sanitation increase the economic efficiency of the people. So long as the recurring grants are kept within the capacity of the normal revenues, the limit that can be placed on non-recurring grants is the capacity of the State in utilizing them. Government have recognized this and in the matter of education generous grants have already been made. But here the spending capacity depends on the co-operation it receives from the Engineering Department in the matter of buildings for village schools and high schools. With the co-operation of the Revenue and the Engineering Departments large capital grants for the Education Department may be well utilized.

It was said by some members that a second grade college should be established in the Province. While I agree with my colleagues that provision should be made for every boy seeking admission I do not think that we need have anymore colleges.

Every pie that can be spared for higher education may be spent in strengthening the existing colleges. It would be better to add classes to the two colleges than multiply colleges. Our existing high schools in the mofussils need improvement and, in fact, they are a source of discredit to us. They are very unsatisfactory and I think it is better to abolish them rather than to continue them as they are. I would suggest that a bold beginning be made by getting a capable English graduate who will bring to bear on these institutions his knowledge and experience of the higher educational systems of Europe. Unless the improvement of our high schools and colleges is effected, you will be far from achieving the idea of having a University for Mysore.

A separate department has been opened for sanitation and it only remains to furnish it with funds. We are grateful for the generous policy of Government in the matter of rural sanitation and village improvement scheme as also the improvement of the malnad. The malnad problem however requires able officers to deal with it. The Government have ordered that the Registrar of Co-operative Societies should study the question. I think that a special officer well acquainted with the economic conditions should be sent to the malnad for at least six months. I think that till the problem is more satisfactorily studied and understood it would be well to confine the activities of the malnad committees to making provision for wells and to improving the means of communication. Promises of larger facilities for medical relief in the malnad have been made and they will perhaps be given due attention in the course of the year.

Urban sanitation also calls for attention and I think it will be of great benefit if regular grants be made to municipalities for meeting a portion of the expenditure required for it.

After all capital grants for sanitation and education for which I have been pleading can absorb but a small portion of the accumulated surpluses. The bulk of the surpluses may, I think, most profitably be invested in a railway to the traditional port of the country. The connection of our railway system with the west coast is one that will affect the population of our country. The railway may be expected to bring large numbers of coolies from South Canara. People of that district are intimately acquainted with conditions of the malnad and our labour supply is chiefly drawn from them. The advent of the railway will considerably remove the distress of the labour market and alleviate the labour difficulties of the planters. A doubt was expressed whether the railway would pay. Statistics were prepared in the early nineties of the last century, but it took no account of passenger returns. Better estimates have I hope since been prepared. The construction of the railway out of the accumulated surplus, we may hope, would in a great way contribute to the economic well-being of the State.

MR. KARNICK KRISHNAMURTHY RAO.—Mr. President and Gentlemen.—I beg to be permitted to thank His Highness the Maharaja and His Highness' Government for affording us this privilege of stating our views on the budget. I must first of all congratulate the Financial Secretary and Government on a prosperous budget which he has explained very lucidly.

In spite of the unsatisfactory character of the monsoon which is causing us great anxiety bordering on alaram, the Financial Secretary has presented a too hopeful budget, and I wish very much that his expectations from revenue from land will be realised. But am afraid that this may not be realised; that the land revenue collections may be disappointing although very stringent and coercive measures are adopted to the detriment of the raiyat.

Deficiency in the rainfall is very appreciable and that must necessitate large remissions or postponements, for which no provision seems to have been made in the budget. A liberal provision is necessary for Takavi advances, owing to the threatened famine condition. It will be necessary to be prepared for famine relief also.

I notice with pleasure that the Agricultural Department has been considerably expanded and developed and its transactions are given the honour of an elevation to the major head.

Agricultural improvement is a subject of perennial interest to all of us, and I am glad that Government have shown commendable spirit in improving the department, which is the only department, in my opinion, that has really anything to do with the raiyats, who contribute so largely to the coffers of the State. I trust that hereafter the officers of the Agricultural Department will move closely with the agriculturists. We are grateful to Government for affording us increased facilities for acquisition of scientific knowledge of agriculture, for attempts at establishing model farms in convenient places and for the extension of co-operative movements. Costly irrigation schemes are also provided for. These form the outstanding features of agricultural reform.

Education.—Education, sanitation and irrigation are the important branches in any Government. We rejoice that education has come in for a good share of allotment and I beseech the Inspector-General of Education to see that no lapses occur this year. When the School-final scheme was introduced, no adequate provision was made for the expansion of the colleges, with the inevitable result that school boys are being denied the advantages of higher education. Government ought to have been alive to the certain rush of students to the college classes. I regret that no provision is made for starting a new college, or for arranging the teaching of more groups of subjects in the existing colleges. We are practically helpless in the matter of higher education, and I am sorry that our Inspector-General of Education is not in the Senate of the Madras University to mend matters. The result has been that our school boys roam all over India, and a Bangalore boy is now receiving education in Junagad College.

Drastic measures are necessary, and I appeal to Government that students should not be subjected to such an amount of anxiety and uneasiness in their tender and growing age. They become despondent and rebellious. Such a state of affairs should not be allowed to continue in our Model State.

I would, therefore, respectfully suggest that out of the allotted grant of 18 lakhs and odd, provision should be made for the teaching of more subjects in the existing colleges.

Elementary education is, of course, necessary and has since been made compulsory. The people certainly appreciate the boon.

Sanitation.—We applaud the scheme of the village improvement and our forward policy has since been copied by our neighbouring Madras Government I wish that our District and Taluk Officers, also Provincial Officers will take a paternal interest in the scheme and instead of simply visiting roadside villages from their motors and exchanging a word or two with the patels, they would make it an imperative duty to stay in the villages and converse more freely with the intelligent classes of people of the locality. That will greatly add to the popularity of the scheme. The village people should have a free scope in the matter of expenditure and I trust there will be no lapses under this head.

We are glad of the attention bestowed on the improvement of malnad parts. where human misery has to be diminished as far as it lies in our power.

The true solution lies in the association of the people in the work of improvement. The present committees seem to be yet discussing thereon, instead of starting any practical work in the direction.

Irrigation.—This is one of the pressing problems in any province. We are glad that ample provision is made in the budget for opening and repairing channels, but only 3 lakhs and 19 thousands have been provided for the restoration of the minor tanks. This is too small and I suggest that at least 10 lakhs be provided this year considering the threatening famine.

I shall not say anything about the Cauvery Reservoir Scheme, as it is in dispute between two Governments and we rely entirely on the most encouraging words of our illustrious Viceroy that the claims of Mysore cannot be lightly brushed aside. As the matter is still a secret, I shall not trespass but we all rely on the talented Dewan who is responsible for the inauguration of the costly scheme for seeing it brought to a successful termination.

Police.—I have only a word about the Police. They must justify the increase of pay. The efficiency must increase in proportion to the amount of expenditure

increased on the department. In mofussils, heavy crimes such as house-breaking and thefts are not detected. Very often true cases end in 'B' sheets but I sincerely hope that the Government will increase the efficiency of the force.

Post and Telegraph.—We have no control over these two important departments and I venture to suggest that some grants towards guarantee of income of that department should be made so that each taluk may have a telegraph office.

Industries and Commerce.—I crave now an indulgent ear. The budget on this head is rather extravagant. A sum of one lakh and forty-one thousand is provided for this department. I am aware the Government are anxious to be progressive. I am also aware that Government are equally anxious to relieve increased pressure on land and encourage industrial development. I concede that the amelioration of economic condition of the people should form an important item in the programme of any civilised Government. But all these cannot be done to order of any department. They must come slowly. Progress should be gradual. The need for a change in the working of the department is necessary.

Mere itinerant lectures will not achieve any success. Our people are still backward. Government have just introduced compulsory education in select areas. Education must spread, and on its heels other improvements will follow.

I must say that the financial position of our State rests purely and ultimately on agriculture and trade conditions in Mysore.

The expenditure of 17 thousand on the purchase of a steam boiler for manufacturing jaggory may perhaps be omitted as our country hearths can be used with less cost with the plant now in use. The working of the three jaggory mills may perhaps with advantage be handed over to the Agricultural Department as the latter has been considerably developed.

Railways.—Railways bulk largely in the budget. They absorb a large amount of capital outlay. The uncertainties and unsatisfactoriness of railway profits are well known to all. But railways have a civilising influence and facilities for travel will increase, but there ought to be cautious advance. I will advocate opening Erode-Nanjagud Section also. I should say in the matter of railway construction that it should be undertaken by District Boards. Private companies are not likely to command much confidence. Among railway improvements it is pointed out that the refreshment room at Harihar is extended. The Indian refreshment and third-class waiting rooms are a disgrace. The Tanjore refreshment room should be taken as a model. In so important a place as Bangalore there is no satisfactory Indian refreshment room. All these Indian refreshment rooms are not centrally situated. The comforts of the passengers should be attended to.

The grant for Bangalore Tramway is lapsing every year. I hope it will be an accomplished fact this year at least.

District and Local Boards.—There has been a constant complaint that roads are not well maintained and new roads are not opened by the District Boards. As 70 per cent of the income of the District Board is spent for maintaining the existing roads and the rest go towards contributions to the medical and educational departments, practically there is nothing left for opening new roads, sanitation, etc.

I suggest therefore that some liberal grant may be made to the District Boards or the existing roads be taken over to the provincial heading and thereby relieve the District Boards of the cost of maintaining them.

Excise.—The revenue under this head is increasing every year and yet the budget shows only so much as 46 lakhs. This I consider very low as recent sales have fetched more than in the last year, and with the large works in progress which require a large number of foreign coolies, drinking must increase and consequently the revenue, unless the number of shops is intended to be reduced.

Buildings.—On behalf of the members of the Representative Assembly of which I am an elected member to this Council, I heartily thank the Government for having sanctioned 18 thousand rupees to provide quarters for the representative members at Mysore. The amount is small, and even that, is highly welcome. The necessity of bringing in all the members under one roof has been admitted. I have been trying to do something in that direction.

Conclusion.—I cannot, however, resist the temptation of saying that the expenditure is too heavy for trimming the top portions of the Government and is rather disproportionate in that the higher officers receive greater attention, while the real needy lower staff do not often get their just dues on the score of increasing expenditure.

MR. B. VENKATASHAMANNA.—Sir,—I cordially join with my colleagues in offering my hearty congratulations to the Financial Secretary on the lucidity of exposition and mastery of detail which characterise his financial statement laid before the Council.

2. The one striking feature of the year's budget is that large amounts have been allowed to lapse for want of appropriation by the several departments. Sir, this is not a matter for congratulation. It reveals that either the grants were made before the several projects were fully matured, or that the several departments responsible for their utilization failed to take full advantage of the grants placed at their disposal. The funds thus allowed to lapse would otherwise have been better employed to meet other pressing demands at whose expense these lapsed grants were earmarked. It is a matter for sincere satisfaction that the Government disapproves of the practice of the Public Works Department transferring funds from the irrigation to other heads. The whole of the Province has received with unfeigned pleasure the grants to be made for the improvement of the villages. The Government insists upon the co-operation and support of the villagers. The villages which formerly were the units of administration were neglected in the management of their own affairs. The Taluk Boards and District Boards were entrusted with their administration. And, moreover, as the Government became more centralised with its several branches of the Secretariat, the whole village administration with its time honoured panchayat system began soon to disappear. The attempt to resuscitate the village as the unit is a desirable step in the right direction. With the formation of Village Progress Committees, with the gradual dissemination of knowledge and enlightenment among the masses, the Local Boards and District Boards are destined to undergo a considerable change in their constitution and management. We are thankful to the Government of His Highness for the facilities afforded for the advancement of primary education. Sir, the prosperity of a country depends on the education of its masses. As Professor Tews says:

> "the economic and social development of a people and their participation in the international exchange of commodities is dependent upon the education of its masses . . . . the greatest care for the fostering of all educational institutions is one of the most important national duties of the present."

It is in the discharge of that sacred trust of uplifting of the masses that the feature of the State lies. It behoves the paternal Government to erect a net-work of schools and colleges (both literary and technical) for the spread of education. The wonder is not why this question is taken up now, but why it was delayed so long. Arnold says that after the battle of Waterloo that while other European Powers, to war with ignorance, were devising systems of education, France was providing the sinews of war. The liberal policy of our Government in providing for the mass education is sure to command the sympathy and co-operation of the educated classes. A cautious and systematic pursuance of this benevolent policy is bound to redound to the credit of the State. So far, the founding of a college at Shimoga to accommodate the ever-increasing batch of students is absolutely necessary.

3. The Financial Secretary referred to the huge surpluses accumulated during years past. These huge surpluses reflect that taxation is maintained at a high level and that more is taken out of the people than the actual needs of the State. These recurrent surpluses do not indicate the prosperity of the State. A writer on Economics says: "If a Government habitually receives a revenue greatly in excess of its expenditure, if it has, that is to say, 'recurrent surpluses,' this fact is less a sign of growing wealth than of a badly adjusted financial system, unless of course, the surpluses are deliberately budgetted for, with the object of reducing the existing indebtedness." A study of the financial statements for the last 10

years discloses a system of under-estimating revenue and over-estimating expenditure. These surpluses have been realised even during periods of acute distress and trial. The people request that the surpluses so realised be utilised in improvement of sanitation, irrigation, drainage and water-supply which are beyond the means of our local bodies.

4. Sir, an overflowing treasury is an index of a prosperous citizen. The raiyat is the mainstay of the State revenue. Home industries are dying out. Large number of people who pursued other walks of industrial life, crushed under the dead weight of foreign competition are daily swelling the number of those dependent on the only precarious source of living,—agriculture. For example, manufacturers of earth-salt who contributed a decent revenue to the State have, according to the latest census, given up their industry by 98 %. The other industries, like weaving, woollen-manufacture, bangle making, etc., have no brighter tale to unfold. In a State like ours, where private enterprise is lacking, when public credit is not organised, and capital fights shy to come out, the Government interference and protection is necessary to revive decaying industries, and to develop incipient enterprises. Recent steps taken by the Government to foster up our industries, develop resources and improve agriculture, demand our deep-felt gratitude to the authors of those moments. It is this rush from other occupations that accounts for the darkhasts for new land. This overcrowding and the craze for landed property by all sections of people are responsible to the sudden abnormal rise in the prices of lands. These applications by themselves are no signs of increased prosperity of the land. When seasonal prospects are bright at the outset, innumerable applications would pour in. Most of these lands are un-economic holdings. In the season, when the rainfall is unseasonable or ill-distributed grim realities unveil themselves. A close study of the administration reports since 1905 throws a flood of light on these matters. Except in three years there is considerable shrinkage of the cropped area. The outturn of crops harvested also is not encouraging. The traditional methods of agriculture pursued for centuries on unmanured soils are bound to yield poor returns. Sir John Caird wrote "crop follows crop without intermission so that Indian Agriculture is becoming simply a process of exhaustion." Unlike the vergin soils of Canada and Australia that smile with a rich harvest, if we just tickle, our lands require constant attention. The resisting power of our ryot also is slackening. During the last decade, owing to continued adverse seasonal condition, large number of gardens have deteriorated or gone out of cultivation. This is specially noticeable in the Chitaldrug and Tumkur Districts where only small vestiges remain to remind the existence of the once flourishing and extensive gardens. The other parts of the State also share the same fate. The reduction of assessment during the revisional survey amply testify to the unproductiveness of our gardens. The small number of coercive processes or the ready payment of assessment as soon as a demand notice is served are no criteria to judge the resourcefulness of our raiyat. Our raiyat is law abiding and is prepared to undergo any sacrifice to meet demands of the Government. There is the money-lender to provide him with necessary funds at usurious rates of interest. The transfer of lands to agriculturists is also by itself no sign of increased prosperity of the raiyat. As long as the ubiquitious money-lender is there to fatten upon his labour he need not fear. The rise in the price of food-stuffs has not materially put additional wealth into the raiyats' purse if he has any. His standard of living is changing. Wages of labour are rising up. Cattle and manure are becoming dearer. The outturn of his crops is diminishing. The gradual increment of assessment is adding to his burden. The artificial rise in the value of token rupee (over which we have no control) compels him to contribute more to the State coffers than he would. His only capital is his cattle. But unfortunately mortality among cattle during the last 10 years is unusually heavy. Since 1906-07 to 1912-13, 7,46,852 have died and of these 360,510 is on account of disease. There were only 3 years since 1905 when the cattle mortality was not very high. The condition of the wage earners is not better. Rise in wages has not kept pace with the rise in the price of food-stuffs. The Government is trying its utmost to inculcate the improved methods of agriculture, stock-breeding and organization of credit. The raiyat is alive to the advantages of intensive culture. But paucity of capital and lack of credit cannot enable

him to embark upon growing industrial crops or convert his dry lands into wet ones by means of development of irrigational sources. What he wants is cheap money to emancipate him from his economic servitude to the sahukar and to effect works of improvement. A portion of the accumulated surplus may safely be diverted to help the raiyat to tide over his indebtedness. Rules that regulate the advances of takavi and land improvement loans are to be made over elastic and less subject to official routine to avoid unnecessary delay and annoyance.

It is a melancholy fact that in spite of the well-intentioned efforts of the Government to check the rapid increase in the Excise Revenue, there is a steady rise in it. The Financial Secretary modestly claims 46,00,000 for 1914-15 in spite of the unprecedented revenue from the Excise of 52,00,000 during 1913-14. The recent sales go far beyond the expectations of the Financial Secretary and the provincial auction sale of shops have exceeded by nearly 4,00,000. I cannot go so far with the Financial Secretary to say that increase in revenue is due to other causes than that of increased consumption. Foreign cheap liquors have no doubt yielded to the superior country ones and arrack to a considerable extent has superseded toddy. This steady rise even in a season of unfavourable agricultural condition indicates that poverty is no bar to obtain an entrance into the tavern. One addicted to drink would rather stint his food and raiment and even sacrifice the comforts of his wife and children than give it up. The private animosities, parochial jealousies and spirit to speculate have in a large measure contributed to the reckless competition among the auctioneers. These to find the sum needed, borrow at exorbitant rate of interest and bring down ruin and misery upon their heads. The Czar of Russia once said 'sad facts of weakness, poverty and economic desolution as the inevitable results of drunkenness." And added "it is inadmissible to admit the favourable financial position of the State to depend upon the destruction of the moral and economic strength of the great multitude of the Russian subjects." Sir, how true are these words? It is not enhancement of duty, not strict vigilence, against illicit distillation but lessening hours of sale, making scarcer and adopting such other reforms as adovocated by several temperance leagues, the desired end could be attained.

Unlike the Excise, the Forest Department is to be encouraged to develop its resources, to exploit its treasures, to conserve and replant to meet the future demands. The demand for fodder is great, it is becoming scarce. The Forest Department may well be requested to grow new varieties of fodder crops and grass.

The Financial Secretary remarked that expenditure on works of commercial nature are to be met by borrowed capital and not to be provided out of the current revenue. Even to allow that expenditure out of surpluses is open to objection. He says the need to borrow is obviated by indenting upon the surplus amount. The new budget provides considerable outlay to be incurred in the construction of new railways. The railways are necessary to the development of a country but they cannot claim precedence over that of irrigation. Railways are carriers of wealth and not the producers of wealth. Our State is purely an agricultural one mainly dependent on rain for its productiveness. The peasantry mainly depends on water stored up in innumerable tanks scattered over the State for its supply. It has been the continued policy of the Government to look after the preservation of these tanks. But I regret to say that the amount expended during the last 9 years on these works is not in proportion to the importance of the matter (only 6,87,843 from 05-06 to 12-13). In the present budget too, the grant is not made on a liberal scale. Most of them are out of repairs or in sad need of them. Many villagers have been imploring for the construction of new tanks but their prayers are not heeded to. I am afraid that the claims of many minor tanks have been overlooked in providing for large works. An agricultural country like ours urgently calls for the development of its irrigational sources. Sir, may we not appeal to you as one who is an authority on irrigational matters, who has done and is doing much, for the econmic development of the country, that the claims of minor tanks would receive a more liberal and generous allotment of amount than hitherto provided for?

The budget sanctions funds for improvement in all directions. But I am disappointed that there is no provision for the longed for separation of the judicial and executive functions. The heart still owns a flatter of hope that this long-sought

boon will be bestowed before long. But the District Boards, Local Boards and Municipalities are too poor to undertake costly works. The local taxation cannot be adequately raised to meet the growing demand. Large schemes of water-supply, drainage and sanitation are too big affairs for our poor local bodies. The assistance of the State finance is needed in the development of those schemes. I may digress here for a moment to refer to the water scarcity and the consequent hardship prevelent in the Chitaldrug District. The hardship and misery of the people is hard to realise without personal knowledge. If the drought continues, besides the failure of crops that spells ruin the water scarcity brings its attendent evils, diseases and death, in its train. The same sad tale repeats itself in several places of the Tumkur District also. Owing to drought and scarcity of fodder, mortality in cattle is growing out of proportion. It is sad to contemplate that our grievances remain yet unredressed. I appeal to you with all humility that is in me to give those places a permanent and unfailing source of water-supply. I would respectfully appeal to the several administrators of several districts through this Council to push on the work of rural-wells-scheme so that in course of 20 years every village may be said to own an unfailing source of water-supply.

An honest conviction after matured deliberation has prompted me to speak my mind freely so that the work of amelioration may be facilitated. We are deeply grateful to His Highness for the extention of privilege of returning members to the Legislative Council and to His Highness the Yuvaraj for the interest he evinces in our welfare. I respectfully request that you will be kind enough to convey to His Highness the Maharaja whose solicitude for the welfare of his subjects is so great that we offer our steadfast loyalty, ordered progress, and a general awakening of our civil privileges and responsibilities as the best reward of his beneficent and liberal rule.

MR. S. SEETHARAMAIYA.—Sir.—I beg to make a short speech on this occasion, particularly after the erudite, eloquent and exhaustive speeches of my younger friends, it becomes all the more necessary that I should do so.

In doing so, I begin with a word of congratulation to our Financial Secretary for the clear and exhaustive financial statement he has presented to the Council, affording a valuable guide to the exposition of our financial position.

As suggested by him in para 2 of his speech, I am confining myself to the important questions of general financial policy rather than the details of figures.

In the explanatory speech, with which he laid the financial statement before us, he has no doubt left no point untouched. But about the prospects of the current year, he seems apparently to have taken an unhesitatingly favourable view, and shown the full average land revenue in the receipt-head of the budget.

But I am afraid, the present condition of the agricultural prospects, knowing as we do, the general failure of the early (*mungar*) rains, and fitful nature of the present rains, may necessitate heavy remissions and postponements of collections.

I would therefore invite the attention of the Government that this important item of receipt cannot be counted on in full, and we may have to depend mostly upon the other sources of revenue shown in the budget. The consideration of this point becomes valuable in deliberating the budgetted allotments.

A perusal of the budget will strike the reader, that many important and large items of expenditure, such as, grants to education, sanitation and railways allotted in the last year's budget, have been allowed to lapse.

This, I think, is mostly due to the system of budgetting allotments without formulating beforehand a definite workable scheme, and I hope that such definite workable schemes have already been formulated and the necessary establishments sanctioned and formed this year, so as to ensure avoidence of such lapses. Sir, particularly I beg to lay stress upon the allotments for agriculture, sanitation, education and the development of industries, which are absolutely necessary for the well-being of the subjects and the progress of the country—in which I must gratefully acknowledge here the keen interest our beloved sovereign and his benign Government have all along been taking and particularly for the last two years.

Here it may not be out of place to say the re-establishment of the Shimoga college is an urgent necessity and may be kindly provided for in the budget,

particularly in the light of the difficulties the successful students in the School-final examinations have been experiencing for want of seats in colleges both in and out of this State. In this respect, Sir, I heard with regret a voice from one of my friends (here), apparently with some plausible reasons, against this suggestion. I cannot but say that my friend seems to have lost sight of the great inconvenience that would be caused to intending students in the remote malnad parts, and the distance they have to come in their young age. Further, it is no good to make an unwieldy institution in one place. It is better to have separate efficient institutions in different places and at convenient centres. One in the malnad headquarters of Shimoga is a necessity. If a second grade college cannot be conveniently given under the New University Rules, a first grade college at Shimoga is not unwelcome.

On the expenditure side of the budget, it is noticeable that no details of expenditure of the Public Works Department have been given. Why it is so cannot be made out, and it cannot be by oversight. I think, Sir, it would be better that these details are also furnished to us in future.

There are some more important items which, in my humble opinion, require urgent attention of the Government being given in preference to new projects of railways and other works, and allotments budgetted for this year, *viz.* :—

(1) Restoration and repairs of tanks, major and minor, in the State. The necessity for this becomes all the more urgent under the present state of monsoons.

(2) Carrying out the Bhadra Project—an invaluable source of irrigation for a considerable part of the Shimoga District—which has been sanctioned long ago.

(3) Drainage to Shimoga Town and Water-supply to Chitaldrug and Chikmagalur, the necessity for which having been repeatedly and convincingly brought to the notice of the Government needs no mention here.

(4) Establishment of telegraph offices in all the taluk headquarters, a necessity which cannot be disputed.

(5) The improvement of third class waiting rooms in all the railway stations of the State.

The inconvenience, nay, the misery experienced by the poor and helpless third class passengers in odd hours of the day and night and in different seasons of the year is simply inexpressible.

(6) Increase of pay of all the lower staff of Government officials, drawing a monthly salary of Rs. 50 and below—a necessity which has been repeatedly urged before the Government and which is since agravated by the present condition of the market and living.

Sir, the provision for the depot of agricultural implements is unnecessary and in a way it is against policy, as it practically serves as a competition with the mercantile class. Nobody questions, and it will gratefully be accepted by all, if any new machine or implement, not known or available here be sent for by the Government as a model for purposes of exhibition and demonstration for the enlightenment of the people.

Sir, the expenditure under "*Law and justice*" is rapidly increasing from 7 lakhs to 8 lakhs, and for the current year a sum of 8 lakhs and 84 thousand is provided.

I welcome the increased expenditure, as, much of it, goes in the way of improving the efficiency of the judicial service.

We are all glad that the Government have secured a highly qualified eminent chief justice to preside over the judiciary.

We have had the judicial conference recently. The Government have already successfully experimented in selected areas the separation of criminal powers from the Amildars. It is admitted on all hands that the Amildars are a class of overworked officials. It will be better, if the Government can push on the scheme in other important centres.

Munsiffs can be better employed as Magistrates, and they now require a training in the trial of criminal cases, as, on their promotion as Sub-judges, they are appointed as Assistant Sessions Judges.

In conclusion, Sir, coming as I do from Shimoga, the headquarters of malnad, I heartily join my friends in sincerely thanking our beloved sovereign and his benign Government, for the sanction of the "*Malnad Scheme*" and for the "*Village Improvement Scheme*" both of which I hope will be an accomplished fact in the near future and we are all grateful to His Highness the Yuvaraja for his increased interest evinced in our welfare and in the administration of the State.

MR. M. VENKATAKRISHNIYA.—Sir.—In the year 1881, when the question of the Representative Assembly was mooted before His Highness the late Maharaja some suggested that Mysore was not fit for a Representative Assembly. Then Mr. Rangacharlu, the Dewan, said that if we are to wait to have a representative institution on the ground that people are not prepared for it, we will have to wait for ever. That statement has obtained illustration to-day. This is the first budget meeting and my friend Mr. Chakravarti has placed his luminous and well-prepared budget before the Council. The discussions that we have listened to till now, go to show that the non-official members of this Assembly have risen to the level of the situation. There may be here and there shortcomings but still there is the feeling that we have done a certain amount of justice to the business that devolved upon us. Some have said that this is a prosperity budget. To a certain extent it is, but I can say it is an optimistic budget. We cannot find anywhere in this world an ideal of prosperity. It is only relative prosperity that can be expected. If the people are all happy, if they are well-to-do, if the sanitary conditions are well kept, if there is no preventible disease, if they are well educated and are not afflicted by poverty and if they are fit to benefit themselves in this world and the world to come, then we can say that there is unmixed prosperity in the State. The shortcomings both on the part of the people and of Government are very great and so we can have only an approach to prosperity. Even in the most enlightened countries there cannot be pure prosperity. So far as this budget is concerned, there are defects here and there and the very fact that the Government of Mysore have thought that wisdom consists in a multitude of people is itself a step to remove whatever defects there may be in the measures of Government or in the budget.

As to the budget itself, one or two points require consideration. Taking the special capital grants, it is seen that Rs. 30 lakhs were provided for the Cauvery Reservoir Works while the revised estimate came to Rs. 19,70,000. Similarly for the power installation the provision was 13 lakhs and the revised estimate Rs. 8,15,000; the provision for new railways was 15 lakhs while the revised came to Rs. 8,83,000 and for the Bangalore Tramways the figures were Rs. 6 lakhs, and 65,000 respectively. Out of a total of 65 lakhs, the revised estimate was only for 37 lakhs. So we see that 53 per cent has lapsed in these items alone. There must be some satisfactory explanation for this. Defective estimating or defective executions of anticipated works must be the cause for the large lapses. Similarly in the Education Department, there have been lapses to the extent of 23 per cent and I should like to know what steps have been taken to see that the budget grants for this year will be utilized without any large lapse.

Going to the direct demands on revenue, the charges for collection has been stated to be 20 per cent. I learn that in British India it is only 14 per cent. In the same way, there is a varying amount for collection in each of the Forest, Excise, Stamp and Registration charges. They range from 5 to nearly 20 per cent. This also needs explanation. It should be stated as to how the charges are calculated here and how in British India. Budget is a thing to which even ordinary people are accustomed. People ought to know how to live within their means. From a study of the rise and fall of empires we see that when the people begin to live up to and even beyond their means the dismemberment and ruin not only of empires but also of people, follows. The consideration of the budget is therefore a matter for serious thought. The question of education is a very important one. If ignorance is removed, and people are taught to rely upon their own efforts, the country is bound to become prosperous. In order to do so,

we have to provide liberally for literary and industrial education. We have gone a great way in them but not so much as can be expected from us. There are the Mechanical Engineering School at Bangalore and the Chamarajendra Institute at Mysore and about 23 industrial schools. But these latter do very little practical work. I would suggest that in addition to these, people be brought together by co-operation in factories and workshops. That will be a source of sound practical education. It is practical education we want and we should make proper arrangements for it. We know that men who could not even sign their names have governed empires and women who do know how to write calculate with ease intricate problems mentally. I do not mean to depreciate literary education, but practical education is necessary. Mr. K. Subramania Iyer of Bombay in some lectures he delivered some days ago in Mysore and Bangalore raised many questions of practical importance and many were not able to take advantage of the lectures as they were delivered in English. We ought to have a business machinery, which can tell our people what is being done in other countries and any amount of money expended in this direction will be well spent.

Many remarks have been made about the Economic Conference. I am one of those who have an optimistic idea about the business of the Conference. People think that talk is useless and that it should be accompanied by action. While I agree with that statement, I would say that a certain amount of discussion and consideration must also precede it and unless that is done, I do not think that action in all practical affairs in this world, will be satisfactory. As it is in our ordinary affairs of life, so also it is with the Economic Conference. If there is any waste in any of the Committees we may try and mend matters, but we should not condemn a useful institution altogether.

In conclusion, I beg of you, Sir, to convey the thanks of this Council and that of the public, to His Highness the Maharaja for graciously throwing the budget open to the discussion of this Council and of the Representative Assembly.

RAJASABHABHUSHANA DEWAN BAHADUR K. P. PUTTANNA CHETTY.—Sir.—I fear I will be considered as belonging to that class of venturesome persons who rush in where angels fear to tread, more especially after listening to the flood of oratory and wealth of eloquence which have come upon us as an agreeable surprise in this the first budget debate of the Mysore Legislative Council. The way in which many of my colleagues have studied the budget and raised points for discussion shows how well the privilege conferred on this Council has been used by them.

For the future, I would suggest that some of the non-official members of Council be associated with the Comptroller in framing the provincial budget. My proposal is to appoint a sort of Finance Committee like the one in existence in British India. The members so associated will not only become thoroughly conversant with the main features of the budget, having to study the several steps involved in its preparation and their *raison d'tre*, but the procedure will also help to remove many of the misunderstandings that arise owing to want of knowledge of the system of public finance. Their doubts and difficulties will be met in the initial stage and they will bring a well-informed mind to bear on the budget discussion. On the whole, my attitude towards the budget is, I should say, one of appreciation. I do not call it a prosperity budget, because a surplus of 10 or 20 lakhs a year is nothing remarkable where a revenue of 2 to 3 hundred lakhs is concerned. It shows a careful balancing of both sides. Some of my non-official friends have referred to our hoarded surpluses. After all, this surplus is not equal to one year's gross income of the State. In ordinary life, we do not call a man wealthy or financially sound if he has not got a reserve of one year's income at least. What is true for the individual is equally true for the State also. For the same reason, the statement that the surpluses are the result of taxing the people more than is necessary does not hold good. A surplus of 2 to 3 crores for our State is a mere bagatelle when we are confronted with an extraordinary situation and threatened by a famine or other calamity. Were it not for these accumulated funds we should this day be unable to push on the stupendous Kannamdadi project and an ambitious railway programme such as has been sketched out for the new year.

Something has been said about the Mysore Economic Conference and the expenditure involved in it. I quite appreciate the view that has been put forward.

But I am sorry to say it is an one-sided view. As a member of the Conference and as a former Vice-President and Chairman of one of its Committees it is my duty to inform this Council that such an institution has now become an absolute necessity. Suppose the Economic Conference were abolished is there any other organization to take its place? No. The aims and objects of the Conference are most laudable. It keeps alive the investigation of economic problems which concern the progress of the country—in matters of Education, Sanitation, Agriculture, Industries and Commerce. It has been in existence for three years. What has it accomplished? It has spent a few lakhs of rupees, and rather too much has been said against the so-called waste of money on salaries and allowances. But let us see what we have to our credit for the money we have spent. Take, for instance, agriculture. The attention that is now being bestowed on sericulture, is the outcome of the activities of the Conference and is alone worth all the money spent on the Conference. In old times, we had 60 to 70 lakhs of rupees worth of silk industry in the State. It has now gone down and does not amount even to 20 or 30 lakhs of rupees, owing to the severe competition of Japanese and Chinese silk and the deterioration of our own silk-worm. Mysore silk is excellent in quality and better than the foreign stuff now placed on the Indian market. It used to find an extensive sale all over South India. But now, in Kumbakonam, Mayavaram, Tanjore, Coimbatore and other places, Japanese and Chinese silk has taken its place and fills the market. At this rate of declension we will arrive in a few years at a stage when our silk industry will altogether disappear. It is the Economic Conference that has helped the revival of this most important and valuable industry and experts who are in a position to foresee the future of the industry affirm that the industry in Mysore will rank second to none in the whole world.

Next, take the question of Education. Is it not to the Economic Conference, that we owe the Compulsory Education Scheme and is it not worth all the money we have spent till now on the Conference? Then look at the projected vast increase in the number of elementary schools in villages; a boon which we owe to the deliberations of the Conference.

Take, then, the Industries and Commerce Committee. What a number of new pumping installations have been set up to improve lift irrigation? Three sets of plant have been installed for crushing the cane and the manufacture of jaggery on improved methods in sugar-cane areas. We have got a State-aided Bank which is the offspring of the deliberations of this Committee—a Bank which will finance the trade of the country and which as years go by will be a bulwark of strength to the traders and capitalists of the State as well as to Government. There are so many other useful things that have been started or which are in process of being initiated by these several departments, and which will be accomplished facts within a reasonable time. Whatever else the Conference may or may not do, it at least keeps people thinking about these matters and that itself is a great thing in our present state of sluggishness and inaction. If instead of assailing on all sides such a useful institution, the leaders of people will only help in its endeavours to introduce improvements, how many more visible advantages will not arise?

A word about the Retrenchment Committee and I have done. This Committee has been in existence for a long time past. Having myself been on the Committee I know how thoroughly the work is done. To strengthen its composition and to let in healthy outside influence, I would strongly urge that some non-official members of this Council be associated with the existing Committee, so that its work may carry that value in the eyes of the public which it deserves but which it lacks owing to its purely official nature and secretiveness.

Some criticisms have been levelled against certain other items in the budget and I daresay that our esteemed Dewan Bahadur Mr. Chakravarti is the most competent authority to meet them. I heartily congratulate the Comptroller and the Government on the budget presented to this Council and I hope Mr. Chakravarti's anticipations of a surplus will be fully realized and that the rains which have now apparently commenced will continue and make the budgetted surplus a reality.

DEWAN BAHADUR MR. C. SREENIVASIENGAR.—Sir.—Before making any remarks, I beg respectfully to welcome His Highness the Yuvaraja in our midst to-day. I heartily congratulate my friend the Financial Secretary on the most promising—I

will not say prosperity—budget which he has placed before us and on the able and exhaustive speech which he has made in elucidation of it. Whatever may be the accepted classification, we all know that the financial functions of Government divide themselves into three main heads. First, Government collects revenue and spends it for the benefit of the payers of that revenue; secondly, it conducts banking business including the financing of special bodies like Municipalities, Local Boards and so on; and thirdly commercial concerns are undertaken by the State under exceptional circumstances, either owing to their peculiarity, or their magnitude or the absence of the requisite enterprise in the country. It sometimes happens that functions 1 and 3 get mixed up together. This though natural, cannot nevertheless, be ignored. Ordinary revenue is liable only for ordinary expenditure and any surplus remaining after such legitimate charge has been met should be profitably invested for the benefit of the tax-payer. Large works such as railways, tramways, electric installations, reservoirs with enormous storage capacity, these are all most laudable undertakings in their own way but they are items which do not naturally appeal themselves to the ordinary tax-payer who pays taxes for the supply of his ordinary wants. All special undertakings must be financed from other sources. There is nothing to prevent the surpluses being invested anywhere, but whether they are in securities or banks or big undertakings, the interest accruing therefrom should go to the benefit of the tax-payer. Again, money thus invested must be withdrawable when unforeseen necessities arise in the same way as debts contracted by Government are repayable. It would be interesting to know whether our ordinary permanent receipts and expenditure are kept distinct from surpluses invested in commercial and industrial services. As observed by Mr. Puttanna Chetty, our surplus of 3 crores may not be much for a State like Mysore but it is neve.theless one for considerable satisfaction.

As regards function 2, I would suggest that the Government should, as bankers, earn some interest for such Municipalities and District Boards as have an appreciable credit balance not required for immediate use.

Rains have now commenced and the Financial Secretary's estimate under Receipt is entremely moderate. He is, like all prudent financiers, very cautious. His estimate of expenditure is also generally unexceptionable. There are in this connection few items which suggest themselves to me as deserving of a somewhat more liberal treatment than that proposed. These I now mention in the hope that Government will give them their favourable consideration.

Now that a separate Irrigation Division has been formed, it is only necessary that additional funds should be placed at its disposal. Considering the importance of irrigation works, the sum of 9 lakhs provided under this head is wholly insufficient.

I therefore request that the provision be increased by another 5 lakhs to be divided in the proportion of 2 and 1 between major and minor works.

Another important subject is the condition of our roads. For some time past our roads have formed the subject of hostile comment in the press and I am not prepared to say that the complaint is wholly unfounded, though I am afraid there is a great deal of exaggeration. However, it is necessary that we should devise means to improve the condition of the more important of our roads. The fact is that labour has become more costly than it was a few years ago and materials are also dearer. For the special repair of such of our Provincial and District Fund roads, as require attention, a sum of 3 lakhs may be provided, if possible.

Buildings also require more attention. At the last meeting, a long list of head-quarter offices in Bangalore located in private buildings was furnished to us by the Government. I think that it would add considerably to the dignity of an office if it is located in a commodious Government building. Government offices are now scattered in different parts of the City and persons having to transact business in more than one are put to great inconvenience and trouble. Then again there are buildings of public resort like the Maternity Hospital which stand in urgent need of improvement.

The question of water-supply and drainage to all municipal towns is an important one. Government have already done much in the matter. They have helped Bangalore, Mysore, Harihar and Shimoga and several other places. I am glad that

provision has now been made in favour of Davangere and Nanjangud. There are several other places equally unfortunately circumstanced and consequently deserving the sympathetic consideration of Government.

As regards education, one or two more second grade colleges seem necessary as also a Normal School for each district.

To ensure a more expeditious and satisfactory construction of village school buildings a competent staff of D. P. W. officers should be placed at the disposal of the Inspector-General of Education.

The separation of the judicial and executive functions to a limited extent is again another thing that has to be considered. Many of our Sub-Registrars may safely be given magisterial powers.

In conclusion, may I suggest the issue of a press communique in regard to the Research Institute in the affairs of which Mysore by reason of its very liberal contribution is so largely interested.

RAO BAHADUR MR. M. SHAMA RAO.—Sir.—In thanking the honorable members present for the sympathetic criticisms and the keen interest which they have evinced in educational subjects, I must say that such interest shows the development of higher aspirations on the part of the country in general and as such they are welcome. Two main subjects have been touched by every member, first, more accommodation to students that seek admission to the college classes and secondly, the subject of lapses.

With regard to the admission of students into colleges, I may say at once that as far as Government is concerned they have been doing their very best to admit into our State colleges as many students as are deserving of admission. I agree with Mr. Venkatesaiya, when he said that no deserving boy ought to be refused admission. But there are difficulties in the way. Before the present University Regulations came into force, there was practically no limit to the number of boys to be admitted. In fact, as soon as the Matriculation results were published the Principals of Colleges admitted as many candidates as came to join their colleges. But the number is restricted under the present University Rules, with the result that our boys have to run from college to college finding in turn that there was no room for admission. This situation is not peculiar to Mysore. About 200 students from outside have applied for admission into our colleges. Taking the number of boys holding School Final Certificates, eligible for admission into colleges to be about 250, 120 have already been admitted into the Maharaja's College at Mysore and 80 can get admission, according to the University Regulations, into the Bangalore Central College with the present staff, and of whom about 20 are last year students. Of the rest, some may join the technical professions and some enter Government service. In all these ways, many have been satisfied, but still there is a very small number who may not have found admission and it is certainly desirable that something should be done for them. As I said before, Government are alive to the situation and are doing their best to open more classes and add to the staff. With reference to Mr. Venkatesaiya's remarks about our mofussil schools, I may say that they are now much better than what they were some years ago. Many additional branches have been opened in the two State colleges after the new regulations came into force, buildings have been extended and better equipments have been provided. This year sanction has been accorded to the opening of Honours courses in Physics and History and Economics. Shortly, a Botany Professor is to be appointed and classes for it opened in the Central College. In all these ways help is being extended to the students and efforts made to spread higher education more largely in the State. I do not say however that we have done everything. We must do more and we are doing it.

The admission of students may be either by opening new colleges or by adding more classes to the existing colleges. The number of students seeking admission, including outside students, is now however so large that I am not sure if the reasons which induced Government to abolish the second grade college at Shimoga have not ceased to operate. The three chief reasons which were adduced for the abolition of the Shimoga college were that (1) Shimoga was only a night's journey from Bangalore, (2) that there were only 32 students and the expenditure of Rs. 13,000 was out of proportion, and (3) that students found admission easily

either into the Mysore or the Bangalore Colleges. Now that they cannot easily get admission, the opening of Intermediate classes at Shimoga will certainly help more students to join. But I understand that the Madras University authorities are not generally in favour of recognising second grade colleges. Perhaps for a solution, we may have to wait till the Mysore University Scheme matures.

Next, taking the question of lapses, I do not believe that it is possible for the head of any department to make the expenditure exactly equal to the budget grants. Even if every sanctioned amount for buildings, etc., is utilized, there will be some savings in the shape of pay of the masters who go on leave. These savings should not be confounded with lapses. A certain number of lapses also do occur, but it will be seen that the department is not to blame for them. For instance, in the Book Department, there was a large lapse of Rs. 30,000 in respect of a contract for maps with Mr. Chatterjee. Though he was pressed to send his bills, he has not done so and the result is the lapse of that large sum. Similarly, a sum of Rs. 3,000 for writing Kanarese Text-books has had to lapse, owing to the authors not having been able to finish their work and claim payment before the 30th June 1914. So also grants-in-aid for certain school buildings have lapsed owing to their not having been completed before the end of June last. We are entirely dependent on the Public Works Department for the erection of school buildings. There are departmental difficulties also in the way of the amounts provided being utilized in full. In these circumstances, I can only give the assurance that every effort will be made to cause no unnecessary lapses. But the lapses do occur and then it may be presumed that more often than not, they are due to causes beyond our control.

I wish to lay emphasis on this point, for I know that the criticism proceeds from a keen desire on the part of the members to see that there is no departmental slackness to take advantage of the generosity of Government in providing large funds for educational expenditure. As is well-known, we have now embarked on a forward policy in education. In opening the first Economic Conference, His Highness the Maharaja announced that education occupied the first place in the economic progress of a country and according to that announcement, the expenditure on education has gone on increasing from year to year. It was 11 lakhs in 1911-12 and now it is 19 lakhs. That shows that Government have not been niggardly or holding back money for the spread of education. Several times the question has been asked as to what is the educational policy in Mysore, and even at the risk of a little digression, I wish to say a few words on this subject, as our policy is more or less the same as that of the suzerain power. His Majesty the King-Emperor during his last visit to this country explained in his address to the Calcutta University that the object of education was to train up loyal, intelligent and moral citizens, secondly to enable them to embark in industries, agriculture and other vocations of life with sufficient equipment and training, and thirdly, to enable them to hold their own in all their walks of life, to brighten their lives and to sweeten their labours. The same objects are kept in view here also. But still the question may be asked as to how far we are proceeding on the right lines?

Taking primary education first, Government have sanctioned funds to educate the school-going population to the startling figure of 46 per cent in the course of the next three years. We wish to multiply the number of schools, about 4,000, not only Government schools but largely aided schools also. With this object, a thousand aided schools have recently been sanctioned. To enlist the continued interest of the aided masters, it has been arranged to pay the grants every month and not once a year as in the past. More Normal Schools have been sanctioned and the existing ones have been placed on a more efficient basis. The Mysore Normal School will be converted into a Training College. The number of men teachers for training have also been increased annually from 254 to 440. We wish however to have more teachers under training, but the number cannot be suddenly increased in the absence of suitable substitutes for those selected for training. Besides the teachers already in service, provision has also been made to encourage private students to undergo training.

Next, orders have been passed extending compulsory education to fifteen places.

Another feature with regard to elementary education is the systematic attempt for the uplifting of the backward classes. A Panchama Boarding School has been started at Mysore and there are thirty students already undergoing training. In the course of a year, they will be available as teachers of Panchama schools and as more teachers come forward, more schools will be opened. I may also mention that several people have come forward with offers of money and endowments of buildings for education in general, for which help our thanks are due to them.

Progress is also being made in regard to female education. Lately, orders have been passed to admit more pupils into the Maharani's College, to open new English classes in all the eight District Schools and to open one Upper Secondary School at Bangalore and another at Tumkur. In all these schools, English will be taught. Two classes for training mistresses have been opened, a Lower and an Upper-Secondary training class.

The grant-in-aid rules which occupied till now only half a printed sheet of paper have been revised and improved. I would request in this connection that gentlemen may refrain from more criticisms until the rules themselves come into operation.

In other ways also we are making efforts to introduce improvements, such as the holding of educational exhibitions and conferences, discussion of educational subjects with those interested in them. Government have lately sanctioned a scale of pay enhancing the prospects and promotion of the teachers in the department and the scheme, I may say, has given general satisfaction and is attracting men, with higher attainments. I have now on hand three M.A., B.L.'s., four M.A.'s., three B.A.'s. with honours, besides a number of others.

For the general dissemination of education as remarked by His Highness the Yuvaraja, not only monetary resources but also more hearts, more brains and more energy are needed. Monetary resources have been provided by a generous Government. More brains and more energy can thereby be commanded, but no amount of money will enlist the hearts of people in the service of education. I therefore appeal not only to the members present here, but to the outside public also to grant their hearty co-operation in the noble efforts which His Highness the Maharaja and his Government wish to be made for the elevation of the people through education.

DEWAN BAHADUR J. S. CHAKRAVARTI.—Sir,—The congratulations and felicitations which have been so generously and lavishly bestowed by the members in the course of the discussion today may be classified under two major heads. In the first place, there are congratulations to the Government on the satisfactory financial situation. Regarding these, I have nothing particular to say excepting that I equally rejoice at the situation with the members. The expression of such an opinion on the part of so many representative citizens is a circumstance which I regard with pleasure and treasure as a valuable asset to Government. But in respect of the congratulations offered in respect of the form and matter of statement itself, there are some adjustments to make. In the first place, there is a good deal of allowance to be made for the natural courtesy and generosity of the members on such an occasion like this. Then, Sir, there is the help which I have received from you and your colleagues and the heads of all the important departments. Without such ready help, materials would not have been available for a satisfactory source of the past year or a comprehensive forecast of the year on which we have just entered. Last though not least, there is a considerable share to be allotted to my own assistants and staff both in the Secretariat and the Comptroller's Office. Their help ungrudgingly and loyally rendered has indeed been invaluable. You will see, Sir, that when all these adjustments are made, the net share in the work and in the felicitations therefor which I can claim as my own would be indeed small.

I shall now proceed to reply as fully as the nature of the occasion and the time at my disposal at this late hour will permit, to the several points that have been raised by the members in their lucid and forcible speeches. As there is some risk of repetition if the points discussed by each members were answered one by one I shall take up only a certain number of them which emerge prominently from the discussion and require full treatment.

In the first place, several members referred to the short time that was at their disposal for studying the budget and for preparing themselves for criticizing it. Some have said that it will be better if the budget is prepared one or two months before the end of the previous financial year so that there may be full time for its study and consideration by members. I hope that as we in this Council gain more and more experience in the matter of budget discussion and become more and more familiar with the standing literature on the subject we shall find that a period of eight days as allowed this year is ample for all practical purposes. As regards the preparation of the budget two months before the end of the financial year, I may observe that we require fairly correct revised estimates for the current year based on nine or ten months' actuals to find out the course of revenue and expenditure, before we can correctly frame the estimates for the ensuing year. So that, while every endeavour is and will always be made to get out the budget as early as practicable it is not possible to do so two months before the end of the year.

Coming now to the several heads of revenue and expenditure as provided for in the budget, there have been several remarks to the effect that the Land Revenue of 106 lakhs provided for is not likely to be realized. I may say, in reply, that the estimate is professedly based on average seasonal conditions and I still maintain (and the weather conditions of yesterday and to-day seem to favour that spirit of hopefulness) that expenditure for average seasonal conditions during the year need not yet be abandoned. In this connection, I may mention that the highest Meteorological authority in India has forecasted for the Mysore State favourable conditions as regards the South-West monsoon. In his recent bulletin the Director-General of Indian Observatories, after studying the pressure conditions all over the world has observed that the conditions of the South-West monsoon this year are distinctly favourable to Malabar and somewhat, though less favourable to Mysore also. In these circumstances, I have felt justified in budgetting for the ordinary standard of Land Revenue. Of course, in Indian forecasting seasonal conditions never cease to exercise their influence and all that I can say is that, if they prove to be unfavourable, considerable adjustments can perhaps be made without materially disturbing the final result worked out in the budget. I may in this connection refer to the fact that the assessment which is now more falls rather lightly on the raiyat on account of the rise in prices the benefit of which he enjoys. Though the assessment in money remains the same, as measured in grain it is only a small fraction of what he used to pay several years ago. Considering these two points that we have yet every hope, on the highest authority for a favourable South-West monsoon and that the assessment sits lightly on the raiyat, I think we shall not be justified in reducing the Land Revenue figure by 10 or 11 lakhs as has been suggested by some members.

As regards the Forest Revenue there has been a considerable amount of forcible argument which may be summed up in the one word "over-exploitation". Some members seem to think that the Forest Department are working away the capital of the State for the sake of realizing high revenue estimates framed in respect of this department. I have had discussions with the authorities of our Forest Department in this matter and I may tell this Council that one and all of the department, from top to the bottom, resent very strongly any such observation. They say that their main duty which they fully realise is to conserve and develop the forest property of the State and not to destroy it; that the very designation of the head of their department is "Conservator" and not "Revenue Collector". They never think of infringing upon the forest capital of the State but only the annual growth is exploited. It is maintained that at the present time only a very small fraction of even this annual growth is exploited. I am happy to see that this view is shared by some members here who have asserted from their personal experience that there is no over-exploitation in our forests. There may be exceptions here and there, but on the whole I cannot find any ground for holding that our Forest Department has not understood the fundamental principles of their duty. As regards the revenue, we have taken it at 28 lakhs for the year 1914-15 against a sum of about 32 lakhs in the last year. I think this is a very moderate and cautious estimate. I have purposely made it so; because, we have a commercial commodity playing a very important part in our Forest Revenue. If we place a high budget figure, the department may feel that they are bound to raise an amount of revenue not far

below the budget and their hands will be fettered to some extent in dealing with the market. By placing the estimate at a moderate figure we leave the department full discretion as regards the quantity to be placed in the market and other particulars so that they may arrange to secure the most favourable results for the State. In this view, I hope that the estimate for the Forest Revenue will not be considered either unduly low or exceedingly high. In regard to timber operations, there is the fact that the Forest Department has to supply a large quantity of sleepers required for our Railway Construction Department and this also accounts to a certain extent for the increase of our Forest Revenues.

The revenue estimate under Excise has received the attention of almost all the members of this Council and I only wish to offer one or two observations in relation to it. Of course, the revenue for the last two years has been high over 48 lakhs in 1912-13 and 52 lakhs in 1913-14. If this figure had been reached by ordinary degrees of increase from year to year due to normal development, then, I should certainly have felt some hesitation, whatever my personal inclinations might be, in placing the estimate for 1914-15 at 46 lakhs. But if members will kindly refer to the figures which I have given in the introductory memorandum they will find that an increase of 10 or 11 lakhs has come about in the course of the last two years. The level in 1911-12 was about 43 to 44 lakhs and the revenue suddenly went up by 8 or 9 lakhs in the course of two years.

It is not considered quite safe, in estimating such a large head of revenue, to take into account such exceptional increase in the course of one or two years; it is better to adopt for some years until the higher level resulting from the sudden increase has firmly established itself, only the normal rate of expansion. The rate of increase as it stood previous to the year 1912 would have brought the revenue to 46 lakhs in 1914-15. I think that the extraordinary increase that has come about in this head of revenue during the last two years is due to the special reasons which I have explained in the introductory memorandum and some of these may be of a temporary nature. It is also for the reason that we do not want a rapidly increasing Excise Revenue to be a prominent feature of our finances that I have placed the revenue at 46 lakhs. I quite admit that this method of estimating is open to some objection from certain points of view; but, there is something to be said in favour of the view that I have adopted and I think we may leave the figure at 46 lakhs. Some members have made a reference to the figures relating to the incidence of Excise Revenue and said that we in Mysore have got a very high incidence per head of population. I have got certain figures and I have compared the incidence in several provinces with ours and you will be glad to know that we do not stand at or near the top in the matter of incidence of Excise Revenue per head of population. It is seen from the figures of 1911-12 (the latest year for which figures are available for all areas) that in Bombay the incidence that year was Re. 1-0-6 and in Baroda 0-12-6 per head of population whereas in Mysore it worked up to about 0-12-1. There has also been a suggestion that the Excise Revenue in towns and cities should be made over to the areas concerned for being utilized for improvements in sanitation and other respects. I can only mention with reference to this suggestion that it is not possible to localize State taxation in this manner. There are certain heads of revenue from cesses and other sources which can be made over to local bodies. But there are other taxes which are provincial taxes in their nature and which must go to General Revenue. Of course the question of grants-in-aid to local bodies from the General Revenues is an open one and grants from General revenues may be given according to necessities. But it is not possible to earmark Excise Revenue in towns and other areas for the exclusive use of these particular localities, as it will be against the accepted principles of State taxation.

Another suggestion was made by some members, namely, that the mohatarfa should be abolished. It is recognised by the Government that the mohatarfa taxes have grown obsolete in character and at the present moment a Committee is considering the matter along with the subject of local taxation. In this connection, I will draw the attention of those members who seem to think that the mohatarfa taxes should be entirely abolished to the fact that the non-agriculturist classes should also contribute their share in some shape or other, to State Revenues for the benefits which they enjoy. The agriculturist is fairly taxed on his land and if

mohatarfa is taken away then, so far as the State Revenues of Mysore are concerned, a section of the non-agriculturist population will not be paying anything for the protection and facilities they enjoy from Government.

Observations have been made by several members regarding inequality in the utilization of the resources of the irrigation cess fund, specially in respect of the malnad. This matter has been engaging the consideration of Government for some years past. A representative Committee was appointed to consider the question and I hope members will soon see the orders of Government on its recommendations which will remove most of the grievances complained of.

It has also been noticed by some members coming from Shimoga that the grant of one lakh for feeder railways in that district is inadequate. But this sum is not meant for construction but only for survey and preliminary charges. Members are aware that survey operations in respect of the Shimoga lines to be postponed with the advent of the monsoons and they will be resumed only in September or October. So, it was thought that a grant of one lakh would be sufficient. If more were provided for there would probably be a lapse, and members have shown in unmistakable terms in the course of their speeches today that they are not disposed to be lenient when they find a lapse in sanctioned grants. So, only such an amount as may reasonably be hoped to be spent during the year has been provided.

When I am at this question of lapses I may perhaps mention that at budget time every department in its earnestness and enthusiasm hopes that a certain amount of money can be spent; and no one can blame them for thinking so, because, all circumstances at the time show that expenditure to that extent can be incurred profitably. Unforeseen circumstances, however, sometimes arise which tend to make progress slower than anticipated and the department finds itself unable to utilize the full grants. In a certain sense, this may be regarded as a shortcoming. But, at the same time, it must be said to the credit of most of our departments that they consider the judicious expenditure of money more important than simply working away the grants at their disposal. It is easy to spend away money if the object is merely to spend it in any way. But it must be said to their credit, that our departments resist that temptation and are prepared to face the criticism of lapses rather than incur hasty and ill-considered expenditure. In my opinion, this attitude of the departments is deserving of praise rather than of blame and it is highly appreciated, if not by any one else, by the Financial Department of Government.

There has been criticism, I may say earnest and spirited, critisism about our hoardings and accumulated surpluses. It has been sought to be made out that these surpluses have been accumulated and these hoards made by over-taxing the people of the country. I am sorry to say, in reply to this, that such a supposition does not display a very correct knowledge of the State and level of taxation in the State and of the way in which these so-called hoards have come into existence. There are in Mysore certain fortuitous sources of revenue to which I have referred and in reference to which I have given figures in my introductory memorandum. These fortuitous source are the mining royalty, the Cauvery Power revenues and the Bethamangala water revenue. It will be found that the surpluses which we have got year after year amount only to a part of this fortuitous revenue. Thus we may say that whatever we have taken in the shape of taxes from the people have been given back to them in the shape of useful expenditure in various departments and it is only a portion of the fortuitious revenue that has been accumulated, not for the satisfaction and pleasure of accumulating a large hoard but only to finance schemes of productive and beneficial public works in which they can be safely invested. It will be abundantly clear to any one who has studied the state of taxation in Mysore and in the British Provinces that taxation here is not heavier in its incidence than in British India and in other Native States of which I have any knowledge. I do not exactly remember whether the proceedings of the Taxation Committee over which my esteemed friend Rajasabhabhushana Dewan Bahadur Puttana Chetty presided sometime ago has been made public but in any case it was placed before the members of the Economic Conference. In that it has been exclusively proved by facts and figures that the incidence of taxation in Mysore is not heavy or pressing. I do not also follow Mr. Venkatasamanna in his remarks

when he says that the depreciation in the rupee makes the raiyats pay more to the State coffers. It seems to me that the case is just the other way.

Mr. Venkatesiah has asked for more information about our railway contracts and agreements. I am not quite sure as to how far such information can be made available to this Council because 'Railways' occurs in section 12 (2) in the Councils Regulation as one of the subjects upon which this Council is not supposed to have discussion. But of course there is a great deal of information which can be furnished to the members because it is published matter and all such informations can be made available to any member who applies for it. He has complained that the percentage of working expenses for our railways is rather high, *i.e*, we pay a larger percentage of our gross earnings in the shape of working expenses than most other railways do. This, unfortunately, is true to some extent if we compare ourselves with some of the existing railway systems; but I do not think that there is any reason to suppose that taking all circumstances into account we unduly suffer in this matter. The working expenses of the Madras and Southern Mahratta Railway system including the Mysore State Railways is calculated by the Railway Company as a whole and then it is divided between the Madras and Southern Mahratta Railway and the Mysore State Railways in proportion of gross earnings. So, there is no question of our percentage being higher than that of the Company.

The same member has referred in eloquent terms to the necessity of constructing the Mangalore-Hassan Railways and has urged that it is very necessary in the interests of the Mysore public. This subject has been considered by the Mysore Economic Conference and that Conference is entirely in agreement with the views of the member. But the fact is that the whole territory from Hassan to Mangalore does not belong to Mysore. The line has to pass for a considerable length through British territory and the completion of the scheme cannot therefore entirely rest with the Mysore Government. Negotiations are going on in the matter and details of constructing and working arrangements are being matured in connection with the other party interested.

I need not refer in detail to the criticisms of this member in respect of the alleged enormous hoardings of Government. I have already shown that such surplus money cash and invested, as we have, has not been obtained by taxation. It is true that at the present time we have got investments in paper securities to the extent of about 3½ crores. But we have to remember that this seemingly large hoarding consists to a very large extent of trust money or deposits. The real Government balance the net cash assets of Government after meeting all cash liabilities amounts to about 1¾ crores and this is less than the mining and other fortuitous revenues for the last few years. The same member has said that Savings Bank Deposits, Insurance Fund, etc., should not be freely utilised for Government expenditure. This means that you have to keep adequate liquid reserves against these liabilities. And, how, can we do this without having a fairly large investment in first class securities? The balances of our Savings Banks Deposits aggregate about 80 lakhs of rupees. We cannot keep the money idle and we must have a reserve to meet calls when they come against these deposits. Then again the Insurance Fund amounts to about 30 lakhs of rupees. A certain percentage of this has to be kept in liquid securities so that demands may be met readily and without affecting current revenues. Similarly, there is the Cauvery Power Depreciation Fund amounting to about 26 lakhs and a portion at least of this sum must be held in reserve in readily realising securities. So that it will be seen that there is no undue hoarding in the State. The extra amount after allowing for reserves against well defined liabilities is hardly sufficient to meet the capital programme for the next 3 or 4 years which has already been adopted by Government. As all our accumulations practically represent savings from the mining and from the Cauvery Power Scheme and not revenue surpluses derived from taxation there is no objection on principle to utilise a portion of the funds on capital works. If capital expenditure were regularly incurred out of surpluses derived from taxation then the procedure might be open to objection. Regular revenue derived from the people, it may be urged, should be given back to the people in the shape of expenditure on the public services for their material and moral advancement and the capital programme should be financed out of borrowings. But when surplus money is obtained chiefly from the mining revenue in exchange as it were for the mineral wealth of

the State there is not the least objection on principle to employ it on capital works. In fact, if we do not do so, and spend it on ordinary expenditure of administration then that procedure would be open to the strongest financial objections. It will be giving away an asset of the State which belongs to all ages for the benefit only of one or two generations.

One member has made a suggestion that the budget should be published in Kannada also. This is a matter which the Government will no doubt consider, when time arrives. We have just begun to publish the budget in English. We will observe what useful purpose it serves and if there is reason to believe that more useful purpose will be served by adopting the suggestion of the member there will be no hesitation on the part of Government to adopt that course.

Mr. Balakrishna Rao has made a powerful appeal for reduction of Stamp duties and Court fees. He is under the impression that Government makes a very large profit out of the administration of Court Justice. In a statement which I prepared for one of the members of the Judicial Conference which was held in Mysore a few weeks ago, I carefully placed the Revenue and Expenditure in connection with the administration of Court Justice one against the other and it was found that there was little profit left to Government. So, I think, that unless the administration of Civil Justice is to cease to be self-supporting and unless we want to encourage litigation and make the general tax-payer bear the just burden on contending parties in our Law Courts, there is no scope for any reduction in Stamp duty and Court fees.

There has also come from the same member some criticism on the increasing expenditure during the last 10 or 12 years under the head "General Administration." Of course the departments covered by the head "General Administration" represent the focus from which most of the new activities and new ideas in the State emanate and it is not strange that with the increased activities and operations in all directions, the increase in the head has been somewhat heavy. It will be observed that if the progress for the last 10 or 12 years be considered the increased expenditure is fully justified. Institutions like this Legislative Council and Economic Conference are of recent origin in this State and expenditure connected with all these progressive institutions are contained in the head "General Administration."

He has also referred to the levying of an export duty on hide and some other articles and has suggested a scheme of having a system of customs for the Mysore State. By way of illustration he referred to the fact that in Hyderabad there is such a tax. I am aware that in Hyderabad a considerable amount of revenue is derived from import and export duties. In Mysore also there were such duties in olden times but for various reasons, chief amongst which must have been inconvenience to trade and hardship to the poorer classes of people, the customs duties on several classes of articles were, one by one, abolished. I do not know whether the majority of the members of this Council look with approval on this proposal to introduce a system of customs duties into this State but there is something to be said in favour of levying a moderate export duty on some selected articles. The subject is receiving the consideration of a committee of the Economic Conference and is, I believe, still under study and investigation.

Mr. Narasinga Rao in commenting on the fact that the collection of Land Revenue in 1913-1914 has been up to the budget figure observed that the result is not so much due to the causes which have been mentioned in the statement, but to the energy and activity of the revenue collecting staff. My personal experience as far as it goes is that the revenue collecting staff in Mysore is very sympathetic with the raiyats and are not liable to be over-strict and I do not think that the criticism of the member that the better collections are due to undue severity of revenue officials is justified. Of course, strictness is necessary but I do not think that our Revenue Officers generally speaking, collect revenue when the circumstances of the case would justify either suspension or remission. I have had experience of at least one scarcity period in Mysore, *viz.*, the one in 1908-09, and in that year we had reasons to think that Revenue Officers were, if anything, too sympathetic in the matter of collection.

The expenditure on the Economic Conference has also elicited a good deal of criticism. This has been well replied to by some of my friends who have already

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spoken. I can only add that active work for systematic Economic Department is a new field so far as Mysore is concerned. Of course, we cannot make sure in the very beginning to get a return for every pie spent on such work, but I do not think that there has been in any department of the Conference any great waste or undue extravagance. It is difficult to gauge the value of such work exactly in rupees, annas and pies. The Conference is doing educative work, the work of developing agriculture and the industries of the province in important fields of activity. If all this is borne in mind, I hope this Council will not grudge the budget figure which has been adopted for the Conference for the next year.

It has been noticed that our departments are top heavy and that more money is spent on the top portions than in the lower grades of our public services. There can, of course, be excess in all matters and objectionable excesses should be corrected. But reasonable remuneration to effective controlling and initiating agency should not be grudged and to this extent there should be reasonable weight at the top. Nature has not made all things light or empty at the top. The head is the heaviest portion of a man's body. It is a short-sighted policy to regard any money spent on superior direction and effective supervision as so much money wasted. It is true that the actual work that is done in most cases is done by a menial or a petty official but we have always to remember that the work will be absolutely useless and the whole money thrown away if the subordinate staff is not properly directed and supervised. I maintain that it is well worth bearing in mind by those who criticise this aspect of our finances that there are in most cases more than one hand behind the hand which they actually see doing any work. We all know the story of Easop's in which the limbs thought that they did everything and that the organs which nourished them were lazy and useless. Brains are required for initiating, controlling and directing in every period of activity and that is a commodity which has to be paid for at its proper value.

Mr. Karnick Krishnamurthi Rao has levelled his criticisms against the sugar-cane crushing machinery and plant which are already working and the additions which it is proposed to be made to them. The provision in the budget is for importing machinery for manufacturing a better quality of jaggery than the existing plants can make. The existing experimental plants are intended to show what improvements can be effected in the manufacture of jaggery by introducing mechanical means of crushing and by improved methods of boiling. Members of this Council are aware that sugar-cane is one of the most important crops that are cultivated in this State. In fact, it may be said that it is the only important crop which is cultivated here on wet lands besides paddy. It is well known that the cultivator does not get the maximum return out of his sugar-cane crop and that with improved methods he can get 25 or 50 per cent more money for it. It is certainly worth the while of a State which is so largely interested in sugar-cane to spend a few thousand rupees in experimental installations for the benefit of sugar-cane cultivating raiyats. Opinions may differ as regards results of experiments that may have been carried out in certain parts, but the general principle that it is worth our while to spend some money to improve the process of jaggery extraction does not lay itself open to any serious criticism.

Mr. Venkatakrishnaiya has said that our collection charges in respect of some items of revenue is very high compared to the rate prevailing in British India, and as an instance he has quoted facts and figures in relation to Land Revenue. I do not know the source from which he got the information; probably he refers to some figures which have been calculated for India as a whole. Members here are aware that in a considerable area in British India and in fact in some of the most populous and productive parts, there is a system of permanent settlement. It is stipulated that if before the sunset of a particular day the revenue due is not brought in by a Jamindar to the Collector's Treasury the Jamindari is liable to be put up for auction. Under this method the charges for collection come to nil. This system obtains in considerable areas in Bengal, Behar, Orissa, the United Provinces and the northern part of Madras, and it is probable that the figures quoted by Mr. Venkatakrishniah is for this reason very much lower than the figure for the Mysore State. If we take the ordinary raiyatwari provinces in British India it will be found that the percentage of our collection charges is very much more favourable. Taking the case of Madras, members will find that the figures work out in the Civil Budget Estimates of that

Presidency at about 24 against 18 in the case of Mysore. It will therefore be seen that our collection charges are not at all extravagant. A cursory review of the rates of pay in our Land Revenue Department will also convince any one of the correctness of this assertion. We do not pay any of our agencies on a lavish scale, the rates of pay are in many cases lower than in British India and there is therefore no reason to fear that too much money is wasted in the collection of revenue.

Mr. Seetharamaiya has given a list of measures to be considered by Government and I have not the least doubt that the suggestions will receive consideration at the hands of Government.

My esteemed friend Rajasabhushanna Dewan Bahadur K. P. Puttanna Chetty has put forward the suggestion for the consideration of Government that a few non-official gentlemen of the Council may be associated with the Comptroller in framing the budget. I do not know if any member here, if he had the hard experience, will be anxious to share with me and my staff the pleasures of budget framing. It means for us, for a certain portion of the year, important work from 6 A.M. to 10 P.M. with only intervals for meals and no time for recreation. If any member has the time and inclination to come and share that sort of life and if the Government are pleased to approve of the suggestion, I for my part will not have the least objection. Of course, I will insist on the condition that the member so associated will work in the same way as we do and not try to slacken the pace. On the whole, I think, it is better to leave the spade work to us and after we have given the thing a shape and framed the provisional budget, to bring it up to this Council for criticism. This is the present procedure and it may continue for some time. I very much apprehend if it will be possible to have an arrangement like the one suggested by Mr. Puttanna Chetty satisfactorily working. Of course, we can give copies of some of our preliminary budget papers and notes to some members or to all members. But personally I do not believe that members will very much appreciate reading successive editions of our detailed budget notes and wading through the mass of detailed figures the net results of which are discussed in them.

Rajamantrapravina Dewan Bahadur C. Srinivasa Iyengar has dealt with many subjects discussed by the previous speakers and I am thankful to him for he has replied to many points and has made it unnecessary for me to trespass on the patience of the Council in respect of them. He has put in a powerful plea for larger grants for irrigation. It goes without saying that the more money we can spend on irrigation the better. It is only because that very large irrigation works from the capital grant are in progress that the other portion of the irrigation budget is not showing as much expansion as it might as labour supply is important and there is no use providing more money than the department can profitably spend. It has also to be noticed that a very large number of buildings and works of public improvement have been recently undertaken and in spite of the total public works grant having been placed at 36 lakhs which is 6 lakhs in excess of the normal amount, it has been found possible only to allot 9 lakhs for irrigation purposes. It is recognised that some public buildings in Bangalore have all been long overdue. Some of them have now been taken up. Mr. Srinivasa Iyengar has himself pointed out that we want more buildings for courts and public offices and other purposes. As the total amount which can be allotted for the Public Works Department for all its three branches has to be limited to a certain figure, a very large grant in one branch means reduction in the other branches. When these buildings are finished and other circumstances are favourable, irrigation will certainly receive a larger portion of the Public Works allotment.

I think I have now dealt, as far as possible, in the course of a discussion like this, with the several points raised by the members. It now only remains for me to thank this enlarged Council for the kind and indulgent manner in which they have received and dealt with their first budget. I cannot say that the discussion has not disclosed any difference of opinion or that all differences of opinion that have been disclosed have been reconciled. To say so would be absurd. But this much I can venture to assert that, as the objects which we all have at heart are the same, such difference of opinion as may exist will not stand in the way of our harmoniously working together. The presentation and discussion of the budget in this Council have no doubt imposed a certain amount of extra work on my department,

but this extra work is more than adequately recompensed by the feeling that the dispositions in the budget carry on the whole, the support and approbation of so many distinguished leaders of public opinion throughout the State whom we see assembled in this Council.

MR. M. KANTARAJ URS.—Sir.—My task has been considerably lightened by my friend Mr. Chakravarti who has answered all the criticisms brought by the non-official members. As usual, the Excise Department came in for a large measure of criticism. I might state that the policy of Government is not to encourage but to restrain and regulate drink traffic. Suppose the department were abolished, what would be the result? I would not be far wrong in saying that every date grove will be converted into a toddy shop and every home of the drinker will become an arrack shop. It is to put down illicit practices that the department has come into existence and we are aiming at securing the maximum of revenue with the minimum of consumption. As regards the sudden rise in the revenue for the past two years, reasons have been given in the statement before you and I have nothing more to add to them.

As regards the Forest Department it was said that over-exploitation was the order of the day. I may say that this is a mistaken notion. If the forests are denuded as some seem to think, it will mean that the Forest Department officers are pursuing a suicidal policy as there will be no necessity for the existence of the department when all the forests are gone. As regards the complaint of the working charges being heavy, it is within the knowledge of the member that most of our valuable forests lie in the malnad. The inaccessibility of these forests, want of communications and paucity of labour add considerably to the working expenses.

With reference to grants from Government to local bodies the policy of Government is to help those who try to help themselves. Applications for help from important towns like Davangere, Chitaldrug, Dodballapur are receiving the best consideration of Government. I may also inform you that two Committees are now sitting—one to revise the constitution of local and municipal councils and the other to look into their finances and it may not be long before their recommendations are submitted to Government. I daresay that Government will pass farvourable orders on them. One of these Committees is also considering the question of mohatarfa and its recommendations are awaited.

Referring to the suggestion that at least in some of the important cities the revenue from excise might be allotted to the municipal bodies concerned for purposes of sanitation, etc., I may say that the registration and surcharge fees of Bangalore City amounting to Rs. 25,000 have been made over to the municipality for the purpose and similarly in the case of Mysore Municipality also.

Permission has also been given for the investment of the funds of Bangalore and other municipalities in the Mysore Bank.

RAJAMANTRAPRAVINA MR. H. V. NANJUNDAYYA.—Sir.—On going over the list of points I had noted I find that all these have been dealt with by Mr. Shama Rao for his department and by Mr. Chakravarti for all the departments. However, I shall make some remarks on one or two points.

As regards accommodation in colleges to some extent the complaint is well-founded, but as Mr. Shama Rao explained that complaint is not peculiar to Mysore. I remember that under the old order of things principals of colleges went through the list of passed candidates in the Matriculation and sent invitations to bright students to come and join their colleges. All that has now changed. It is now as difficult to get admission into the colleges as it is to get appointments. It is a pathetic state of things to see students going to the principal and from him to the Inspector-General of Education seeking for admission. The number of students under School Final Scheme that come up for admission into the colleges is very much more than what it was when the Matriculation was in force. The principals have great practical difficulties as on the one hand they have to work under the Government of Mysore and on the other of the University of Madras which has certain powers of supervision over colleges under the conditions under which affiliations are granted. The struggle we now have is the result of this dual authority. We fairly met the situation last year and in my opinion all the students that

deserved to get admission into the colleges got in. It is quite possible that some who are really deserving may not have been admitted, but it is perhaps because their applications were received late. This year, the Intermediate classes have been enlarged and at first about 80 students were admitted and the Principal of the Central College has been directed provisionally to admit about 30 or 40 more, so as to form an additional class.

About the starting of an additional college, I may say that the college at Shimoga had to be abolished when the University Regulations came to force as it was thought that there would be difficulty in maintaining the college up to the University requirements and also that the attendance was not enough. In the interests of effective education it was considered desirable to abolish the college and as a set-off institute scholarships for Malnad students. Now that for these two years we have been feeling the need for another college, it is a fair question to consider whether instead of doing so we cannot attain our object by enlarging our colleges in Bangalore and Mysore. Speaking for myself, I am quite convinced that it would be to the interests of education to have one college of a high order with good supervising agency and by keeping all the students under first class supervision. As we are aiming at having a University of our own, I think it would be a better course to concentrate the classes and have the college in one place. We should try and have residential colleges where all the activities of education and literary thought would concentrate in one place and where the atmosphere of literary culture would be enlivening.

The observation was made by a non-official member that our departments were top-heavy. My friend, the Financial Secretary, practically pleaded guilty and I think he did it rather too readily. I will go a little further and say that the question comes to the old dispute as to the relative value of intellectual and directing and manual and subordinate labour. It is chiefly a question of supply and demand. There is no absolute standard here. We cannot say why the Revenue Commissioner gets 1,400 Rs. and a clerk only Rs. 15. It is only a question of the adjustment of demand and supply. We cannot say why a lawyer gets 500 Rs. for arguing a case for three days and the judge who tries the case gets only at the rate of Rs. 30 a day. These are questions of comparison and sometimes partly due to accident. So we cannot say that our departments are top-heavy. As to whether there are more officers than necessary at the top, that is a different question, the answer to which may be given differently according to each person's temperament and point of view.

The question of lapses has again and again been talked about. As Mr. Chakravarti said, it is a credit rather than otherwise on the part of the persons concerned to allow lapses rather than to spend money in a hurry. I know that towards the end of a year the spending departments try to get credit for leaving no lapses, by rushing through the work in a hasty and haphazard manner without any proper check. To avoid this temptation and to ensure that prudential checks are exercised in employing the money it would be better not to make too liberal an estimate. Especially in times of prosperity through which we are now passing there is a danger of our making large estimates and spending money without due checks and without proper regard as to whether it is properly utilized. I do not admire a Financial Department which is generous. At the same time, estimates are necessary; but they should be carefully framed and not err on the side of excessive liberality. Otherwise, we may be encouraging prodigality and extravagance.

About the ethics of Excise Revenue, Government do not profess to be temperance missionaries. We do not at the same time aim at increasing our revenue by encouraging drunkenness. If we disband the whole Excise Department the picture that would present itself very soon would be a very sorry one. Probably what is wanted from Government is to go further and to prohibit drinking. I do not suppose that this opinion is unanimous. But it is not within the province of Government to ask people not to drink or not to use snuff or tobacco. There are a great many positive vices in human life. People should be allowed a fair amount of liberty. But if those who criticise us would make definite suggestions for restricting the sale of liquor we shall carry them out. It has been suggested by some that the number of shops and the hours of sale should be reduced and steps taken to place the article beyond easy

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reach. But this will not be of any use as the drinker will get drunk in spite of all this. I am also not quite sure if Government can put obstacles in their way unless we are prepared to prohibit it altogether. Even if this is done, I am not sure if Government will succeed. The result will only be that the bounds will be broken and people will drink without Government getting the revenue. I am not personally aware of the use or abuse of alcohol but it is not likely that the drinker will resort to the habit without any pleasure and if it is a pleasure to him we cannot absolutely take it away from him. To some extent, we can make restrictive laws and we have classed it as a punishable offence to be drunk and disorderly in the streets. I do not think that the vice is inordinately rampant in our State for us to make any particular legislation to further restrict the facilities for drink. However, if gentlemen who are interested in the subject would give us suggestions as to the best way to act in the matter they would be welcome. I may assure them that Government would not grudge to lose part of this revenue if that will be conducive to the moral elevation of the people. That is all that can be expected of Government.

In conclusion, I have only to congratulate Mr. Chakravarti on the exceedingly interesting speech in which he has introduced the budget and the able manner in which he has met the criticisms that were levelled by some of the members. I also congratulate one and all of the members who spoke with considerable force on many important subjects on the manner they have acquitted themselves though the time at their disposal was so short.

THE DEWAN.—Gentlemen.—The discussions have continued to a late hour and I find that my colleagues have taken out of my mouth many of the explanations that I intended to give with reference to the observations of non-official members. My remarks will therefore be very brief. This is the first budget discussion that has taken place since His Highness was pleased to accord new privileges to the Council and I wish to congratulate the members on the excellent use they have made of the week's time that has passed since we last met, on the high level at which the debate has been maintained, and on the moderation, ability and business acumen displayed in the discussions.

I also wish to associate myself with the other members in congratulating Mr. Chakravarti on his able and lucid exposition of the State budget.

Principal Features of the Budget.—The principal features of the budget are an increase of revenue under Forests and Excise and a substantial increase of expenditure under Education, and on establishment and equipment for a number of departments which hitherto considered themselves starved. The most prominent feature is the large and unprecedented provision of over 95 lakhs on railway, irrigation and other capital account works. We received 30 lakhs last year and we expect the balance of 13 lakhs to be paid to us this year from the surplus revenues of the Civil and Military Station. We are grateful to the Government of India for recognizing the claim of the Mysore Durbar to the surplus revenues and paying the arrears due to us. We are deeply interested in the prosperity of the Civil and Military Station and we have in the past done what we could to help them in connection with their water-supply and lighting. We look forward to closer identity of interests and to greater mutual co-operation hereafter.

Foremost among the projects in progress for developing the material prosperity of the State is the Cauvery Reservoir works at Kannambadi. These works are intended to store the waters of the Cauvery which would otherwise run to waste into the sea. The construction of foundations in the river bed is now over and the works are making very fair progress.

As regards railways, the Mysore-Arsikere-Railway is under construction and the proposed lines from Nanjangud to Erode and Hassan to Mangalore are under correspondence with the Government of India. An incorrect report has got abroad and also found its way into the papers that railway construction is making slow progress. I do not know of any period in the history of railway construction in Mysore when work was pushed through more vigorously than at present.

As regards Forests, the revenue has increased of late years and I consider that it is capable of further increase. We have appointed two special officers to inspect the forests and investigate the prospect of utilising forest produce for industrial

purposes. Many parts of our forests are yet untouched by the hand of man and the revenue is capable of further expansion to a material extent without injury to any of them. In this connection, I wish to refer to the retirement of Mr. Muthannah a week ago from the position of Conservator of Forests in Mysore, which he held for over 12 years with conspicuous ability and distinction. Possessing European business habits, an untiring activity and a keen love of his profession, Mr. Muthannah effected many solid reforms in the department which have brought increased revenues to Government and enhanced the value of the forests as a State property.

Besides projects for material improvement, we are interesting ourselves in improving our people. We have doubled the expenditure on education during the past 4 or 5 years; in doing this we are only following the example of the Government of India. The expenditure on the Agricultural Department has been doubled, investigations in Sericulture begun, a new Department of Industries and Commerce has been formed with a view to create new occupations for the people. Our policy is to give instruction to childern in schools and develop practical business capacity in the people through the agency of committees.

Utilizing Financial Resources.—We at present derive an appreciable revenue of over 30 lakhs from past State enterprises and the mining industry and we are adding to our permanent assets by investing our savings and current surpluses on new works. We have also the satisfaction of being able to construct railways and irrigation works without borrowing, although it would be quite legitimate to borrow for such objects. We have endeavoured to improve the efficiency of five or six departments by strengthening the establishments and making non-recurring grants. We have inaugurated special schemes of economic and social improvements in the interests of the village population and the malnad area.

As regards education, Mr. Shama Rao has already informed you that we are providing funds and making arrangements to double the school-going population within the next 3 years. Only a few days ago, His Highness was pleased to sanction an additional grant of $3\frac{1}{4}$ lakhs for the further development of primary education.

A beginning has been made also in the direction of making the State balances available for the use of the public for promoting local industry and trade through the agency of the Bank of Mysore.

Low Standard of Living.—We are satisfied that our finances are prosperous, our credit is good and our resources are spent in the best interests of the people. But there is a dark side to the picture. Although we are better than our past, the condition of the people cannot be said to be satisfactory.

Some weeks ago at another similar meeting, I compared the conditions in Mysore with those in Canada and Australia because the population of those colonies was about the same as Mysore. As we are discussing our financial position, it may interest you to know that the colony of Australia has ten times the revenue of Mysore, and Canada about twenty times.

Our difficulties in this country are an erratic monsoon and an ignorant population. The last year's monsoon was unsatisfactory; this year's has been late. People have to be content with a low level of comfort and a low standard of living which in the case of the poorer classes is liable to change into destitution at the first sign of scarcity.

The chief remedy to this state of things so far as the agricultural population is concerned is to arrange for storage of water. Over 70 per cent of the people in the State are dependent on agriculture for their food supply and cultivation is rendered precarious by the fitful character of the monsoon. If water which would otherwise go to waste is collected and stored in large reservoirs, it will be available for growing crops throughout the year. Such works will provide occupation to the people in all seasons and are the best form of protection against famine that we can provide in this country.

A great deal has been said on minor tanks. The difficulties in developing these tanks lie deeper than the public or their leaders imagine. That they are of paramount importance to the people there can be no two opinions. But whoever

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finds the money, the tanks should be constructed, repaired and supervised by the people of the locality and not by a centralised Government agency. The tanks are silting up and new ones are not taking their place as fast as the existing tanks are deteriorating. The salvation lies in teaching the people to put forth local effort to repair or restore old tanks and construct new ones. Government will be prepared to pay a portion of the cost wherever necessary.

A second remedy is the multiplication of occupations besides agriculture from which people can make a living during portions of the year when agricultural work is slack.

A third remedy is to give education and business training to the people, to enable them to understand how they might improve their present lot and raise their standard of living, effort and achievement.

Conclusion.—It is now getting late and I do not wish to traverse any of the points already explained by previous speakers. I would only refer to the criticisms about the Economic Conference and say that, in doing what we have attempted, we are guided by the example of more civilised States and the lessons derived from the past history of such States. We are unable to show results while the schemes are yet developing. We cannot pull up a plant by the roots to demonstrate that the roots are growing. For achieving any important results, many years of preparation are necessary and I trust that, in respect of our activities in this direction, we may confidently bespeak the patience and support of the people during such preparation.

For the purpose of economic development, we intend to spend about 3 lakhs a year for a period of five years. We are doing very much less than what the country needs and the occasion demands and if we are not proceeding fast, it is because we want to take the people with us without which no improvement can be said to be permanent.

Government confidently look to you, and the leaders of the people generally, not only to advise them and co-operate with them, but also to correctly interpret Government measures, intentions and policy to the people. Any discordant note at this time, however much it may be justified in more advanced countries, will only confirm our conservative population in their old ways and make the task of improvement difficult. The finances will improve with the improvement in the earning power and the tax-bearing capacity of the people. In order to improve this capacity, the public and their leaders should respond to measures initiated in their interest, and every one should join in endeavouring to develop among our people the virtues of industry, thrift, self-help and co-operation.

In conclusion, I may assure you, gentlemen, that all suggestions of value made in the course of these discussions will be noted and Government will give their best consideration to them.

The Council then adjourned *sine die.*

By Order,

S. P. RAJAGOPALACHARI,

Secretary, Mysore Legislative Council.

Gl. 17]

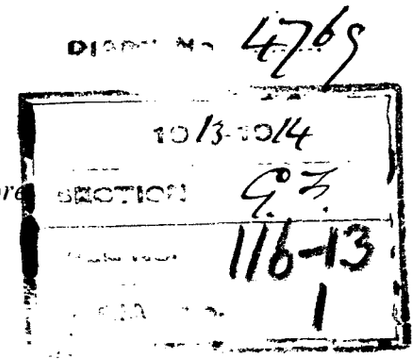
It is requested that in future communications on the subject, the No. and date of this letter, and the distinguishing letters below the number as given opposite, may be quoted and addressed to the Comptroller, Mysore Government window dilivery No. 6, Bangalore.

No. 7489 E16 4-5 OFFICE OF THE COMPTROLLER, MYSORE GOVERNMENT,

Dated Bangalore, the 23rd May *191* 4.

FROM

Diwan Bahadur,
J. S. CHAKRAVARTI, ESQ., M. A.,
F. R. A. S., ETC.,
Comptroller to the Government of
His Highness the Maharaja of Mysore



To

.....Esq.,

The *Secretary to the Government of Mysore,*

.....Financial.....*Department.*

SIR,

I have the honour to submit herewith the Preliminary Budget Estimates* for 1914-15 together with the general review and major head notes connected therewith. Fifteen spare copies are also sent as usual.

* will separately follows in the course of the day.

I have the honor to be,

Sir,

Your most obedient servant,

S. Shamachark.
Asstt: Comptroller.

V.U.C

Rec.—Gl. 17]

.....Department.

1914.

FROM

J. S. CHAKRAVARTI, ESQ., M. A.,
F. R. A. S., ETC.,
Comptroller to the Govt. of
H. H. the Maharaja of Mysore.

To

.....ESQ.,

Secretary to the Govt. of Mysore.

.....*Dept.*

Dated

Despatched 23-5-14

Received

No. 7489/107 15

Subject matter.

Subsidiary Revenue Budget
Estimate for 1914/15

Enclosure 15 Statt

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NOTE ON THE BUDGET ESTIMATES FOR 1914-15.

General Review.

Alteration in the structure of the consolidated statement.—With a view to show all the financial transactions of the year in the statement sent to Government and to separate from the ordinary grants of the year the provision for the special capital works, the statement sent to Government herewith is divided into two parts. The first part shows all the transactions under service heads excluding the grants for the special capital works and closes with a surplus which may be regarded as the resultant of the ordinary transactions of the year under service heads; and the second part shows these special capital transactions as well as the debt head transactions (net) and works from the opening to the closing cash balance. In the budget figures for 1913-14, however, as the sanctioned amounts cannot be altered now, the provisions for the special capital expenditure are shown under the ordinary service heads.

2. *Changes in classification.*—For this the following changes in classification in the accounts and estimates have been made:—

A new head "Capital Outlay not charged to revenue" has been opened in the accounts for 1913-14 and the budget for 1914-15. This head is shown outside the regular budget heads, *i.e.*, after the Surplus or Deficit is struck, and includes the following items for which separate major heads have been opened:—

Cauvery Reservoir and allied works.
State Railways.
Subsidized Railways.
Bangalore Electric Tramways.
C. P. S. IV Installation.

3. The following further changes of classification in the regular budget heads are also introduced or will be introduced when the final budget is issued:—

(1) A new major head "VIII A. Surplus Revenue of Bangalore Assigned Tract" has been opened on the Revenue side in the current year's account and the next year's budget estimates to record the surplus revenues of the Bangalore Assigned Tract.

(2) To bring together all charges on account of assignments and compensations on account of loss of revenue, etc., which are now scattered under various heads, a new head "Assignments and Compensations" is proposed to be opened in the next year's budget

(3) On account of their growing importance, the Departments of Agriculture, and of Industries are separated from the major head "21 Scientific and other minor Departments" in which they are now included and shown as distinct major heads in the next year's budget.

(4) Similarly the Health Department hitherto included under *Medical* is shown in the next year's budget as a separate major head.

(5) The existing major head "Profit or Loss" on the Revenue and Expenditure sides will be expunged from the next year, the interest on the investments and the charges against them being included under the major head "Interest" with a new minor head "Interest on Investments."

(6) Under 26 Miscellaneous (4) Contributions, a new detailed head has been opened in the accounts of this year and the budget to record the grants-in-aid given to village committees for village improvements in accordance with the new scheme inaugurated by Government. To receive the credits for these grants and such collections as may be made by the committees, a new debt head "Village Improvement Fund" has been opened in the Civil Debt heads, and under this will be recorded all the transcations relating thereto.

Revised for 1913-14.

4. The aggregate revenue and expenditure anticipated in the budget for 1913-14 and the figures at which they are likely to stand as revised on the basis of eight months' actuals are as shown below:—

	Budget 1913-14	Revised Estimate 1913-14
Total revenue	257,17	313,30
Total expenditure	313,55	237,23
Deficit — or Surplus + ...	—56,38	+76,07

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Detailed explanations for the variations of revenue and expenditure under each major head are found in the major head notes accompanying this review and only the more important variations will be referred to here.

5. The increase of 56,13 under revenue is contributed to by increases under a number of heads, while there is substantial decrease under only one head "Interest." The decrease of 1,26 under Interest is due to the non-receipt of interest demand from some of the encumbered jaghirdars and agricultural banks. The more important increases under revenue are as follows:—

(1) Receipt of 30,00 of surplus of Bangalore Assigned Tract.

(2) Increase of 7,14 under Forest due to higher prices of sandal and larger realisations under timber.

(3) Increase of 8,84 under Excise due to increase in consumption of toddy and arrack.

(4) Increase of 6,00 under Profit or Loss due to a portion of the interest of 1912-13 being realised in 1913-14 and to better interest earned on investments.

(5) Increase of 1,30 under Stamps.

(6) Increase of 2,40 under Railways.

6. The reduction of 76,32 under expenditure is mainly due to the grant for special capital works being omitted in Part I as explained above and lapses and less expenditure in a number of departments counterbalanced to some extent by increases in some others. The more important variations are shown below:

(1) Saving of 65,10 due to grants to special capital works shown in budget but omitted in revised.

(2) Excess of 1,91 under General Administration is due mainly to charges in connection with the Viceregal visit being shown here while provision was shown elsewhere.

(3) Saving of 2,40 in the Education department due to special grants for opening new schools, etc., not being fully utilised.

(4) Saving of 4,15 under Miscellaneous due mostly to expenditure against provision of 5 lakhs being recorded under respective heads.

7. The amounts provided for the special capital works and the amounts likely to be spent out of them are as follows:—

		Amount provided in Budget	Amount likely to be spent	Amount of lapse
Cauvery Reservoir	...	30,40	19,70	10,70
Railway Extensions	...	15,00	8,83	6,17
Electric Tramways	...	6,65	65	6,00
C. P. S. 4th installation	...	13,05	8,50	4,55
Total	...	65,10	37,68	27,42

8. As a result of these variations in receipts and expenditure, the budget of the year 1913-14 is now expected to close with a surplus of 76,07 excluding expenditure on special capital works; but taking into account such expenditure also, the surplus would be 38,39. Although the anticipated deficit of 56,38 has been converted into a surplus of 38,39, it cannot be said to indicate defective estimating, as the greater part of the betterment due to the receipts of surplus revenues of the Bangalore Assigned Tract and lapse of grants for capital works and for special expenditure in other departments could not be foreseen at the time of preparing the budget.

9. Every endeavour has been made to make the revised estimates worked out on eight months' actuals as accurate as possible. But if new facts come to light before the final publication of the budget, the revised will as usual be altered in accordance with them by entering therein up to date figures.

Budget for 1914-15.

10. *Basis of consolidation.*—All the departmental estimates have been reviewed by me and reported on to Government but provisional sanctions of Government have been received in respect of only some of them. For consolidating the estimates now submitted in the case of Part I, in all cases where provisional sanctions of Government have been received, the figures sanctioned by Government have been taken; and in other cases, the figures recommended by me to Government while reviewing the departmental estimates.

In the case of Part II, excepting the figures for the special capital works, Savings Bank deposits and Insurance, the other figures are taken by this office on the basis of past actuals.

11. The results of the estimates for 1914-15 thus prepared are shown below, and for purposes of comparison, the results of the budget and the revised estimates for 1913-14 are shown in juxta-position and recast in the same form :—

Receipts	Budget, 1914-15	Revised, 1913-14	Budget, 1913-14	Expenditure	Budget, 1914-15	Revised, 1913-14	Budget, 1913-14
			PART I.				
Total revenue ...	2,86,43	3,13,30	2,57,17	Total expenditure excluding special capital works.	2,49,38	2,37,23	2,48,45
Deficit ...	...	...	...	Surplus ...	37,05	76,07	8,72
			PART II.				
Surplus brought forward from Part I.	37,05	76,07	8,72	Deficit brought forward from Part I.	...	...	...
				Special capital works not charged to Revenue.	97,40	37,68	65,10
Debt Head transactions (net).	5,83	...	23,40	Debt Head transactions (net).	...	555	...
Opening balance ...	1,45,00	1,12,16	1,12,16	Closing balance ...	90,48	1,45,00	79,18

12. The revenue for 1914-15 is based on normal seasonal and trade conditions and generally follows the revised estimates of 1913-14. The more important variations therefrom are shown in the following statement:—

Head	Estimate for 1914-15	Budget for 1914-15 more (+) or less (−) than revised 1914-15	Remarks
Land Revenue	1,06,40	+1,40	Budget based on the basis of normal seasonal conditions and assuming a larger demand due to extensions of cultivation and revision of settlement in certain taluks.
Excise ...	45,14	−7,06	Budget provides for an improvement of 1,78 over current year's and for a figure higher than that realised in any preceding year.
Stamps ...	9,34	−96	Budget provides for a moderate improvement of 34 over current year's budget. But from the revised, it would seem as if this is somewhat of an under-estimate, and in the major head note I have proposed its being raised to 9,75.
Surplus Revenue of Bangalore Assigned Tract.	13,43	−16,57	Estimate based on balance of surplus up to 10-11 still due and normal surplus for the three subsequent years.
Profit or Loss...	12,50	−3,50	The receipts during 13-14 were exceptional. Therefore normal figures proposed for next year.
C. P. S. ...	18,58	+1,46	Increase due to expectation of a larger supply of power to the Kolar Gold Fields after making some allowance for the less receipts in the opening months.

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The other variations from the revised are comparatively insignificant and have been all noticed and explained in the major head notes accompanying this review.

13. *Expenditure.*—The aggregate expenditure provided for in Part I is 2,49,38 and in Part II provision to the extent of 97,40 has been included for the special capital works. The grants for the capital works depend on the amount which the Public Works department expects to work out during the year and cannot stand any comparison with the figures provided for the current year. With regard to other expenditure, however, the aggregate amount provided for 1914-15 is more than that provided for the current year by 93, the important variations being under the following heads :—

	Budget of 1914-15	Budget of 1914-15 more (+) Less (−) than Budget 1913-14	Remarks
Police ...	10,30	+72	Increase due to all round increase of pay to Police Force.
Education ...	13,38	−2,71	No provision included for extension of primary education and Vernacular School buildings. An additional grant of 5,03 has been proposed to be added to this in my note under this major head.
Scientific and other minor departments	5,80	+1,50	Increase due to increased provision for Agricultural department for revision of establishment and special non-recurring grants.
Miscellaneous	3,49	−4,89	Decrease mainly due to omission of special provision of 5 lakhs made in 1913-14. A provision of 2,00 is proposed to be added in the budget for 1914-15 on account of village improvements.
Civil Works ...	25,85	+5,87	Larger provision due to some building and other works considered very urgent.

After providing for expenditure as noted above, the year is expected to close with a surplus of 37,05 as shown in Part I and a cash balance of 90,48 as shown in Part II.

14. So far the results have been worked out for the estimates submitted by me. But since the receipt of provisional sanctions in the case of certain departmental estimates and the submission of my recommendations in the case of others, several items of expenditure have been sanctioned by Government for inclusion in the budget and certain alterations have been recommended by me in the major head notes on the basis of subsequent information. A list of items sanctioned by Government is found in Statement A appended to this note, and the allotment required for them aggregates Rs. 42,251. And if my proposals in the major head notes are accepted, they will result in a net worseness of 8,36 as shown below.

A. INCREASE OF REVENUE.

	Rs.
Stamps	+41,000
Police	+ 2,000
	+43 (in thousands)

B. INCREASE OF EXPENDITURE.

General Administration	—. 7,850
Courts of Law	—. 35,000
Education	—5,03,000
Medical and Sanitation	—1,00,000
Miscellaneous	—2,00,000
Miscellaneous Railway expenditure ...	— 33,000
	—8,79 (in thousands)
Net ...	—8,36

It will therefore be noted that this will reduce the surplus of 37,05 shown in paragraph 11 above to 28,27.

15. Besides this, there are items of expenditure which are under the consideration of Government but about which this office has no information. To the extent that such additional expenditure is sanctioned, the surplus of 28,27 will be reduced.

16. In respect of capital transactions outside the budget also, an addition of 7,37 will have to be made to the next year's grant proposed in the departmental estimate owing to the surrenders in the current year's grants under Bangalore Electric Tramways and C. P. S. 4th installation. With the alterations to the preliminary budget indicated in paragraphs 14 and 15 and with the additions to capital outlay referred to above, the closing cash balance for the next year estimated in Part II of the abstract estimate at 90,48 will be reduced to 74,33.

17. As this amount is smaller than the minimum cash balance with which we can begin an ordinary year, if the budget programme of expenditure is fully worked out, a portion of our investments may have to be converted into cash in the year 1915-16. But so far as 1914-15 is concerned, the opening balance of 145 lakhs is more than sufficient to carry us through the year.

BANGALORE,
Dated, 19th May 1914.

J. S. CHAKRAVARTI,
Comptroller.

PART I.

REVENUE.

(In Rupees, omitting 000's except in accounts.)

Heads of Revenue	Accounts, 1912-13	Budget Estimate, 1913-14	Revised Estimate, 1913-14		Budget Estimate, 1914-15		
			Comptroller	Finance Department	Heads of Departments, etc.	Comptroller	Finance Department
A—Principal Heads of Revenue—							
I Land Revenue	1,05,00,292	1,05,00	1,05,00		1,06,40	1,06,40	
II Forest	32,93,721	22,00	29,14		32,07	28,20	
III Excise	48,14,089	43,36	52,20		47,18	45,14	45,14
IV Assessed Taxes... ...	2,65,570	2,75	2,63		2,73	2,65	
VII Stamps	9,41,435	9,00	10,30		9,25	9,34	9,34
VIII Registration	1,82,848	1,85	1,95		1,78	1,81	1,81
Total ..	1,99,97,955	1,83,96	2,01,22		1,99,41	1,93,54	
B.—VIII A.—Surplus Revenue of Bangalore Assigned Tract ...			30,00			13,43	
C—Mining Revenue—							
IX Mining Royalty and Leases	19,36,222	19,00	19,36		18,56	19,00	19,00
D—Interest—							
X Interest	4,14,655	2,34	1,30		1,44	1,44	
XI Profit or Loss	7,71,332	10,00	16,00		12,50	12,50	
Total ...	11,85,987	12,34	17,30		13,94	13,94	
E—Receipts by Civil Departments—							
XIIA. Law and Justice—Courts of Law	58,641	47	51		51	49	
XIIB. Law and Justice—Jails ...	32,087	39	31		38	38	38
XIII Police	24,144	25	27		28	28	
XIV Education	1,63,787	1,43	1,77		2,15	1,60	
XV Medical	1,12,319	1,23	1,17		1,19	1,20	
XVI Scientific and other Minor Departments ...	1,13,329	75	1,07		97	89	
Total ...	5,04,307	4,52	5,10		5,48	4,84	
F—Miscellaneous—							
XVII Receipts in aid of Superannuation Pensions ...	2,018	2	2		2	2	
XVIII Stationery and Printing ...	7,863	9	10		9	9	9
XIX Miscellaneous	1,64,169	1,68	1,71		1,84	1,67	
Total ...	1,74,050	1,79	1,83		1,95	1,78	
G—Military Receipts—							
XX Army	71,855	62	74		82	84	
XXA. Military works ...	15,090	10	10		10	10	
Total ...	86,925	72	84		92	94	
H—XXI State Railways—Revenue Account	16,26,989	14,50	16,90		15,32	17,00	
K—XXII Public Works	3,88,467	3,34	3,63		3,38	3,38	3,38
L—XXIII Cauvery Power Scheme ...	17,05,781	17,00	17,12		18,58	18,58	
Total Revenue and Receipts ...	2,76,06,683	2,57,17	3,13,30		2,77,54	2,86,43	
Deficit	„	56,58	...		...	...	
Grand Total ...	2,76,06,683	3,13,55	3,13,30		2,77,54	2,86,43	

EXPENDITURE.

(In Rupees, omitting 000's except in accounts.)

Heads of Expenditure	Accounts, 1912-13	Budget Estimate, 1913-14	Revised Estimate, 1913-14		Budget Estimate, 1914-15		
			Comptroller	Finance Department	Heads of Departments, etc.	Comptroller	Finance Department
A—Direct demands on the Revenue—							
1. Refunds and Drawbacks ...	2,65,885	2,42	2,37		2,35	2,35	...
Charges in respect of collection, *viz.*—							
2. Land Revenue	18,18,423	19,79	19,07		30,07	19,88	...
3. Forest	6,96,233	8,38	8,80		8,81	8,24	...
4. Excise	3,33,824	3,41	3,42		3,54	3,50	3,50
8. Stamps	61,425	42	49		46	46	46
9. Registration	83,958	91	86		91	90	90
Total ...	32,59,748	35,33	35,01		36,14	35,33	...
C—10. Charges against Mining Revenue	2,11,466	2,33	2,19		2,04	2,30	...
D—Interest—							
11. Interest on ordinary debt ...	1,10,973	35	80		85	85	...
12. Interest on other obligations ...	3,23,521	3,41	3,46		3,79	3,79	...
13 Profit or Loss	905	1	...		...	...	...
Total ...	4,35,399	4,27	4,26		4,64	4,64	...
DD—14. Palace	23,22,000	23,40	22,96		23,40	23,40	...
E—Salaries and expenses of Civil Departments—							
15. General Administration ...	8,31,353	9,13	11,04		9,78	8,82	...
16A. Law and Justice—Courts of Law.	7,75,578	8,19	8,38		*4,61	8,25	...
16B. Law and Justice—Jails ...	1,14,981	1,51	1,36		1,54	1,53	1,53
17. Police	9,43,514	9,58	9,69		10,41	10,30	...
18. Education	11,47,476	16,09	13,69		14,08	13,38	...
19. Muzrai or Religious and Charitable Institutions ...	3,50,947	3,55	3,52		3,57	3,57	3,57
20. Medical	7,69,799	8,48	7,99		8,59	8,38	...
21. Scientific and other Minor Departments	3,11,880	4,30	3,99		6,29	5,80	...
Total ...	52,45,528	60,83	59,66		58,87	60,03	...
Carried over ...	1,14,74,141	1,26,16	1,24,08		1,25,09	1,25,70	...

*Does not include share of Land Revenue charges.

EXPENDITURE—*concld.*

(In Rupees, omitting 000's except in accounts.)

Heads of Expenditure	Accounts, 1912-13	Budget Estimate, 1913-14	Revised Estimate, 1913-14		Budget Estimate, 1914-15		
			Comptroller	Finance Department	Heads of Departments, etc.	Comptroller	Finance Department
Brought forward ...	1,14,74,141	1,26,16	1,24,08		1,25,09	1,25,70	
F.—Miscellaneous Civil Charges—							
23. Allowances and Assignments under Treaties and Engagements	84,351	86	85		85	85	
24. Superannuation Allowances and Pensions	7,90,714	7,77	7,90		8,15	8,15	
25. Stationery and Printing ...	2,32,175	2,11	2,23		2,12	2,10	2,10
26. Miscellaneous ...	1,76,931	8,38	4,23		3,55	3,49	
Total ...	12,84,171	19,12	15,21		14,67	14,59	
G—Army and Defence—					*		
27. Army	13,36,857	14,37	13,64		13,55	14,57	
27A. Subsidy to British Government	35,00,000	35,00	35,00		35,00	35,00	
27B. Military works	51,904	1,19	1,19		95	95	95
Total ...	48,88,761	50,56	49,83		49,50	50,52	
GG.—Famine Relief and Insurance—							
28. Famine Relief	14	...	...		...	...	
29. Reduction or Avoidance of Debt	3,33,333	3,33	3,33		3,33	3,33	
Total ...	3,33,347	3,33	3,33		3,33	3,33	
H.—Railways—							
30. State Railways—Revenue—Account	7,17,377	7,20	7,20		7,20	7,20	
30A. Mis Railway Expenditure ...	2,69,482	1,50	21		61	61	
Total ...	9,86,859	8,70	7,41		7,81	7,81	
J.—Irrigation—							
31. Major Works	19,89,155	35,95	(*a*) 4,62		6,01	(*a*) 6,01	6,01
32 Minor Works	1,41,852	3,28	3,28		3,19	3,19	3,19
K.—Other Public Works—							
33. Civil Works ...	20,55,321	19,98	20,91		25,85	25,85	25,85
Total ...	41,86,328	59,21	28,81		35,05	35,05	35,05
L.—34. Capital outlay on State Railways	2,46,166	18,95	(*a*) 67		4,47	(*a*) 4,47	
Bangalore Electric Tramways—Capital Expenditure ...	...	6,65	(*a*)		...	(*a*)	
LL.—Cauvery Power Scheme—							
35. Revenue Account ...	6,43,693	7,08	6,98		7,04	7,04	
36. Capital Outlay ...	34,909	13,79	(*a*) 91		87	(*a*) 87	
Total ...	6,78,602	20,87	7,89		7,91	7,91	
Total Expenditure ...	2,40,78,375	3,13,55	2,37,23		2,47,83	2,49,38	
Surplus ...	35,28,308	...	76,07		29,71	37,05	
Grand Total ...	2,76,06,683	3,13,55	31,330		2,77,54	2,86,43	

* Provision for "Palace Military" not included.

(*a*) The provisions for Capital charges are brought under "N. Capital outlay not charged to Revenue."

PART II.—General Statement of Receipts and Disbursements.

	Receipts				Disbursements		
	Accounts, 1912-13	Revised Estimate, 1913-14	Budget Estimate, 1914-15		Accounts, 1912-13	Revised Estimate, 1913-14	Budget Estimate, 1914-15
ue Surplus ...	52,34	76,07	37,05	Railway, Irrigation and other capital works not charged to Revenue:—			
				Outlay on Cauvery Reservoir and allied works...	15,71	19,70	37,50
				Outlay on State Railways	98	8,83	40,00
				Outlay on Subsidised Railway	...	...	15,30
				Outlay on Bangalore Electric Tramways ...	5	65	1,13
				Outlay on Cauvery Power Scheme:—IV. Installation	31	8,50	3,47
				Total Capital Account Disbursements ...	17,05	37,68	97,40
Deposits and Ades—				Debt Deposits and Advances—			
State Life Insurance Fund (net receipts) ...	2,46	2,18	2,15	Surplus Investment Account (net) ...	60,72	32,00	15,00
Savings Bank Deposits (net receipts) ...	4,07	4,37	2,00	Remittances (net) ...	1,55	...	...
				Other Debt Heads (net)	...	...	...
Deposits and Advances (net)	12,43	14,64	14,08				
Advances and Loans (net)	1,87	2,68	2,50				
Other Debt Heads (net)	1,36	2,58	10				
Total ...	74,53	1,02,52	57,88	Total ...	79,32	69,68	1,12,40
Opening Balance ...	1,16,95	1,12,16	1,45,00	Closing Balance ...	1,12,16	1,45,00	90,48
Grand Total ...	1,91,48	2,14,68	2,02,88	Grand Total ...	1,91,48	2,14,68	2,02,88

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STATEMENT A.

List of Government Orders sanctioning extra expenditure to be provided in the Budget for 1914-15 :—

No. and date of Government Orders.	Amount (per annum) Rs.
(1) R. 8026-7—Ft. 139-13-7, dated 6th April 1914, sanctioning additional establishment for officers on special duty	1,308
(2) Fl. No. 5200—G. F. 8-13-749, dated 4th May 1914, sanctioning the additional provision required on account of Municipal taxes on educational buildings used for residential purposes	539½
(3) Fl. 4988—G. F. 8-13-704, dated 23rd April 1914, sanctioning an annual allotment of Rs. 100 for annual repairs of furniture in the Bangalore residence of the Durbar Surgeon ...	100
(4) G. 7349—G. M. 56-13-9, dated 13th March 1914, raising the provision under "Contingencies" of the G. R. S. on account of efficiency audit	1,500
(5) Fl. 5146—G. F. 8-13-733, dated 2nd May 1914, sanctioning the continuance of the post of Telugu Pandit in the Maharaja's College for two years from 1st July 1914	288
(6) Fl. 5241-2—G. F. 88-13-5, dated 8th May 1914, ordering that the provision under T. A. and that under meteorological charts which were reduced to Rs. 100 and Rs. 170 in the provisionally accepted budget be raised to Rs. 150 and Rs. 230 respectively	110
( ) Fl. 5201-2—G. F. 8-13-742, dated 5th April 1914, according sanction to the retention of the Tamil Pandit of the Archæological office for two years from 1st July 1914	360
(8) No. 10725-8—Edn. 242-13, dated 25th April 1914, sanctioning the continuance of the grant at Rs. 3,000 a year to the Tata Silk Farm at Bangalore for a period of six months from 1st March 1914	750
(9) J. 3031-2—P. R. 182-13-2, dated 21st April 1914, sanctioning a monthly rent of Rs. 2 to the Police out-post at Vastara	24
(10) Fl. 4581, dated 17th April 1914, sanctioning a sum of Rs. 200 for purchasing certain articles of furniture for the use of the Secretary to the Board of Award of the Secondary School-leaving Certificates	200
(11) R. 8816-8—L. R. 458-12-4, dated 14th May 1914, sanctioning the appointment of sowdi on Rs. 6 per month for the Kambi sagara tank, Gundlupet Taluk	72
(12) R. 8912-4—Agri. 116-13-2, dated 19th May 1914, sanctioning the establishment of a Dairy and Breeding Station in connection with the Agricultural School at Hebbal (recurring 4,000, non-recurring 15,300)	19,300
(13) G. 9312-5—G. M. 67 13-265, dated 18th May 1914, sanctioning the installation of new machinery from Glasgow for the manufacture of high class brown jaggory by the Department of Industries and Commerce	16,500
(14) No. 11065-6—Edn. 345-13-2, dated 6th May 1914, sanctioning an additional provision for printing paper under the head "Oriental Library and Search for Sanskrit Manuscripts" ...	1,200
Total ...	42,251

(FIRST EDITION.)

BUDGET NOTES, 1914-15.

RECEIPTS.

(In thousands of Rupees.)

I—Land Revenue.

Accounts.	First Months			Last Months			Total	Later figures	
	Eight	Nine	Ten	Four	Three	Two			
1910-11 ...	29,90	54,23	75,60	76,89	52,56	31,19	1,06,79		
1911-12 ...	33,24	58,01	78,88	73,24	48,47	27,60	1,06,48		
1912-13 ...	33,16	58,32	78,78	71,84	46,68	26,22	1,05,00	Revised by March's figures	Revised by April's figures
1913-14 ...	33,54	57,79	78 32						
Estimates.									
1913-14 ... Budget	,,	,,	,,	,,	,,		1,05,00		
1913-14 ... Revised	,,	,,					1,05,00	1,05,00	
1914-15 .. Budget	,,	,,	,,	,,	,,		1,06,40	1,06,40	

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 + more − less than Budget, 1913-14	Budget, 1914-15 + more − less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Assessment on Lands	97,28	96,89	95,33	95,54	95,54	96,84	...	+ 1,30
Quit-rent of Minor Inam Villages including Kayamgutta ...	5,42	5,71	5,21	5,44	5,44	5,44	...	...
Miscellaneous	4,06	3,86	4,43	4,00	4,00	4,10	...	+ 10
Rent on Toddy Trees	3	2	3	2	2	2	...	...
Total ...	1,06,79	1,06,48	1,05,00	1,05,00	1,05,00	1,06,40	...	+ 1,40

Revised, 1913-14.—In the detailed report of this office on the departmental budget it was pointed out that on the basis of 8 months' realizations, the collections in the current year might be expected to go up to the amount of the Budget Estimate. But the nine months' actuals according to the preliminary accounts are less by 53 than those for the corresponding period in 1912-13. The seasonal conditions of this year were not very favourable. Presuming however that the collections for the remaining three months will not be much worse than anticipated, the revised estimate may still be taken on the basis of 9 months' actuals at the budget figure, *viz.*, 105 lakhs.

Budget, 1914-15.—The estimate proposed by the Revenue Commissioner was for a year of normal seasonal conditions. Though the *mungar* rains are up to the present time somewhat disappointing there is so far no reason to fear such an unfavourable turn in the seasonal conditions as may require any alteration of the estimate proposed by the Revenue Commissioner, *viz.*, 106,40. Sanction of Government has not yet been received to this estimate.

J. S. C.
2-5-14.

Extract from the detailed report separately submitted on this Estimate.

"*Estimate for 1914-15.*—

This is placed by the Revenue Commissioner at Rs. 1,06,40,000 or Rs. 1,40,000 more than the current year's estimate. The increase is stated to be chiefly under "Assessments on lands" owing generally to expansion of cultivation and particularly to the introduction of revised rates of assessment in two taluks in the Shimoga District. The Revenue Commissioner's figure may be accepted for the present subject to such alteration as may be considered necessary later on in the light of the latest prospects as regards seasonal conditions."

The ten months preliminary actuals amount to 78,32. No alterations in the revised are therefore called for. The budget estimate may also stand as proposed.

J. S. C.
19-5-14.

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Statement showing the balance, demand and collection under I—Land Revenue.

	Budget Estimate, 1914-1915.	Revised Estimate, 1913-1914.	Budget Estimate, 1913-1914.	Accounts, 1912-1913.
Opening Balance	11,70,132	11,99,132	10,19,767	11,85,054
GROSS DEMAND.				
I. Assessment on lands—				
(i) Dry	47,06,000	46,98,600	46,74,589	46,87,730
(ii) Wet	34,00,000	33,31,800	33,31,903	33,32,274
(iii) Garden	14,00,000	13,77,200	13,75,534	13,69,686
(iv) Coffee	1,78,200	1,76,900	1,76,884	1,78,214
(v) Cardamom	2,000	2,000	1,984	2,004
(vi) Cinchona	.....	.....	10	7
Rubber...	700	700	700	751
Total of Item I ...	96,86,900	95,87,200	95,61,604	95,70,666
II. Quit-rent of Minor Inam Villages including Kayamgutta	5,41,700	5,41,700	5,40,904	5,44,002
III. Miscellaneous—				
(i) Sale proceeds of Government lands including sale of right of occupancy	1,33,000	1,21,100	1,10,496	1,48,253
(ii) Amarayi	55,000	65,900	62,803	69,618
(iii) Amount left out in last official year's Jamabandi ...	10,500	8,500	15,165	14,372
(iv) Collection on account of unclaimed Inams ...	700	700	970	635
(v) Fines charged on account of unauthorized cultivation	20,200	20,400	19,614	22,345
(vi) Tax on Lime-stone Kilns	4,300	4,300	4,337	4,286
(vii) Sale of Kuranga Stones	1,500	1,500	900	1,839
(viii) Assessment derived from Tank Bed Cultivation ...	4,100	4,300	8,246	3,662
(ix) Pasture Lands	80,100	79,200	82,307	80,498
(x) Fish Contract	1,300	1,200	980	1,327
(xi) Notice Fees	29,100	30,100	34,742	23,862
(xii) Other Items	90,000	90,000	78,988	96,318
Total of Item III ...	4,30,200	4,27,200	4,20,043	4,67,015
IV. Rent on Toddy Trees	2,600	2,600	2,662	2,423
V. Total Gross Demand, Items I to IV	1,06,61,400	1,05,58,700	1,05,25,218	1,05,84,106
VI. *Deduct*—Remissions under the Rules	43,530	53,700	53,430	41,628
VII. Net Demand	1,06,17,870	1,05,05,000	1,04,71,788	1,05,42,478
VIII. Total Demand including the Opening Balance ...	1,17,88,002	1,17,04,132	1,14,91,555	1,17,27,532
IX. Actual or Estimated Collections—				
1. Assessment on lands	96,84,000	95,54,000	95,54,000	95,33,156
2. Quit-rent of Minor Inam Villages including Kayamgutta	5,44,000	5,44,000	5,44,000	5,21,575
3. Miscellaneous	4,10,000	4,00,000	4,00,000	4,42,737
4. Rent on Toddy Trees	2,000	2,000	2,000	2,824
Total of Item IX ...	1,06,40,000	1,05,00,000	1,05,00,000	1,05,00,292
X. *Add*—Irrecoverable arrears written off ...	37,000	34,000	36,300	28,108
XI. Total amounts estimated or collected including amounts written off out of the demand	1,06,77,000	1,05,34,000	1,05,36,300	1,05,28,400
XII. Percentage of Item XI to Item VIII	90·57	90·00	91·681	89·77
XIII. Balance outstanding at the end of year (Item VIII minus Item XI)	11,11,002	11,70,132	9,55,255	11,99,132

(*a*) Difference between the Comptroller and the Revenue Commissioner.

II—Forest.

	First Months			Last Months			Total		
	Eight	Nine	Ten	Four	Three	Two			
Accounts.									Later figures
1910-11 ...	7,90	9,42	11,00	13,05	11,53	9,95	20,95		
1911-12 ...	7,12	8,01	14,22	14,94	14,05	7,84	22,06		
1912-13 ...	6,59	7,90	9,13	26,35	25,04	23,81	32,94		
1913-14 ...	9,36	21,75						Revised by March's figures	Revised by April's figures
Estimates.									
1913-14 ... Budget	,,	,,	,,	,,	,,		22,00		
1913-14 ... Revised	,,	,,			,,		29,14	29,14	
1914-15 .. Budget	,,	,,	,,	,,	,,		28,20	28,20	

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 +more −less than Budget, 1913-14	Budget, 1914-15 +more −less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Timber and other produce removed from the Forests by Government Agency	15,05	16,51	26,69	17,23	21,35	22,18	+ 4,12	+83
Timber and other produce removed from the Forests by consumers or purchasers	5,46	5,27	5,70	4,49	6,22	5,74	+ 1,73	—48
Confiscated drift and waifwood ...	...	1	...	1	1	1	...	...
Miscellaneous	44	27	55	27	1,56	27	+ 1,29	—1,29
Total ...	20,95	22,06	32,94	22,00	29,14	28,20	+ 7,14	—94

Revised, 1913-14.—In the case of this revenue the actuals of the first eight, nine or ten months under sandalwood do not furnish any basis for gauging the collections of the remaining 3 months, as these collections are kept under deposits and adjusted at irregular intervals before the close of the year. Excluding this revenue the collections under other heads during the first eight months are 78 better than those for the same period in 1912-13. Though at the last auction sale of sandalwood an average rate of Rs. 1,000 per ton which is more than the last year's price by Rs. 60 per ton was secured, still the total amount realised is only about 17 lakhs or about $5\frac{3}{4}$ lakhs less than that for last year as there was no market for the full quantity offered for sale. It is however expected that some more revenue will come in this year if the remaining wood is disposed of by tender. As there is no definite information on the point, the revised estimate for sandalwood is placed at 17,00 and for the other heads including Kheddas at 12,14, the total revenue from Forests amounting to 29,14. The improvement of 7,14 over the budget estimate may therefore be regarded as coming chiefly from sandalwood and partly from timber and other miscellaneous items.

Budget, 1914-15.—The estimate for 1914-15 is already proposed by me after reviewing all the items in detail. It does not seem to require any modification in the light of the revised estimate. Compared with the current year's budget, an addition of 3 lakhs is anticipated in the next year from departmental timber operations on account of the supply of sleepers to the State Railway Construction Department. Sandalwood shows an improvement of 2 lakhs and timber operations by private agency about three-fourths of a lakh.

J. S. C.

2-5-11.

Extracts from the note separately submitted on this Estimate.

RECEIPTS.

I (a) Timber.—From Rs. 7,04,100 to Rs. 7,00,000.

The estimate proposed for the ensuing year is more than that of the current year by Rs. 3,05,100 and this is expected by the Conservator from the supply of sleepers to the State Railway and Tramways Construction Department. The standard of normal receipts from this source is only about $3\frac{1}{2}$ lakhs and the current year's estimate of 4 lakhs also includes some additional income from sale of sleepers. So it is seen that the amount expected to be realised next year from sale of sleepers has been taken at $3\frac{1}{2}$ lakhs. There is no information in this office as to the extent to which the Railway Construction Department intends placing its indents for sleepers with the Forest Department. It is also doubtful whether the annual supply of timber will be suddenly doubled in consequence of the demands of the Railway Department. The estimate may be taken roundly at Rs. 7,00,000 pending such alteration as Government may deem necessary in the light of the above remarks.

(*b*) *Firewood and Charcoal.*

From Rs. 9,750 to Rs. 8,000.

Reduced on the basis of previous actuals.

Sandalwood.

From Rs. 18,71,200 to Rs. 15,00,000.

The next year's estimate anticipates a revenue of Rs. 5,71,200 more than that of the current year. The revenue realised during last year was Rs. 22,88,115 due to the high rates that prevailed then. In the current year also the average rate secured was equally high (about Rs. 1,000 per ton) But it cannot be taken as certain that the high prices secured during the last two years will be maintained in the next year also and the Conservator himself doubts this. I do not know if any facts pointing to the causes of the high prices secured last year and in the current year have come to the knowledge of Government as a result of the enquiry suggested by me last year into the cause of these violent fluctuations in the market in regard to this commodity. But until such causes are definitely ascertained, we are not justified in assuming the market conditions of those two years as normal and framing our estimate on this assumption. Taking the rate per ton realisable next year at Rs. 600, *i.e.*, about the highest price secured prior to the boom of the two previous sales and assuming the quantity of wood to be made available for sale next year to be 2,400 tons as in the current year, we may fix the estimate for the next year at Rs. 15,00,000 in round figures. The estimate has accordingly been altered.

III—Excise.

	First Months			Last Months			Total	
Accounts.	Eight	Nine	Ten	Four	Three	Two		Later figures
1910-11 ...	27,61	31,46	34,95	14,38	10,53	7,04	41,99	
1911-12 ...	28,35	32,18	35,83	14,46	10,63	6,98	42,81	
1912-13 ...	31,66	36,07	40,19	16,38	12,07	7,95	48,14	
1913-14 ...	35,64	40,13						Revised by March's figures / Revised by April's figures
Estimates.								
1913-14 ... Budget	...	,,	,,	,,	,,		43,36	
1913-14 ... Revised	,,	,,					52,20	52,20
1914-15 ... Budget	,,	,,	,,	,,	,,		45,14	45,14

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 + more —less than Budget, 1913-14	Budget, 1914-15 + more —less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Arrack	20,69	21,23	23,86	21,86	25,77	22,24	+3,91	—3,53
Toddy	19,23	19,92	22,26	20.00	24,44	21,14	+4,44	—3,30
Beer	7	20	15	11	14	15	+3	+1
Akki Bhoja (Rice beer) ...	2	...	2					
Ganja	1,25	96	1,22	85	1,18	97	+33	—21
Opium	50	40	49	42	52	50	+10	—2
Miscellaneous	15	10	10	8	11	10	+3	—1
Proportionate share of the cost of the Central Distillery establishment charges recovered from the Civil and Military Station, Bangalore	8	...	4	4	4	4		
Total ...	41,99	42,81	48,14	43,36	52,20	45,14	+8,84	—7,06

Revised, 1913-14.—The revenue under this head is rising year after year and the nine months' actuals are better by 4,06 than those for the corresponding period in 1912-13. Adding this improvement alone which has already been realised to the last year's actuals, the total revenue for the current official year may be taken at 52,20.

Budget, 1914-15.—The estimate for 1914-15 proposed by the Excise Commissioner was 47,18, but this was reduced to 45,14 for reasons explained in my detailed review of the departmental estimate. The estimate has not yet been accepted by Government but pending the result of the auction sale of shops for the next year it has been adopted for the budget.

J. S. C.
2-5-14.

Extract.—From the note separately submitted on this Estimate.

The total Excise revenue during the last year was 48.14 lakhs. The receipts in the current year, judging from the actuals so far available, are expected to be at least equally high. But instead of unduly raising the budget estimate on the basis of a single year's actuals and the current year's expectations, the estimate proposed above (in accordance with the variations suggested in the details) which shows an advance of 1·78 lakhs over current year's budget and is in excess of all past actuals except that of 1912-13 may for the present be accepted subject to such alteration as may be deemed necessary on the basis of later revision to the revised estimate. Before the budget is finally issued, the results of the next year's sales may also be available for purposes of calculation in revising this estimate.

The Estimate has since been sanctioned by Government.

IV—Assessed Taxes.

Accounts.	First Months Eight	Nine	Last Months Ten	Four	Three	Two	Total	Later figures
1910-11 ...	1,31	1,92	2,28	1,55	94	58	2,86	
1911-12 ...	1,50	2,00	2,31	1,28	78	47	2,78	
1912-13 ...	1,50	1,97	2,24	1,16	69	40	2,66	
1913-14 ...	1,50	1,94						
Estimates.							Revised by March's figures	Revised by April's figures
1913-14 ... Budget	,,	,,	,,	,,	,,		2,75	
1913-14 ... Revised	,,	,,					2,63	2,63
1914-15 ... Budget	,,	,,	,,	,,	,,		2,65	2,65

Minor Heads	Accounts 1910-11	1911-12	1912-13	1913-14 Budget Estimate	1913-14 Revised Estimate	1914-15 Budget Estimate	Revised, 1913-14 + more −less than Budget, 1913-14	Budget, 1914-15 +more −less than Revised, 1913-14
Mohatarfa in rural tracts ...	1,99	1,84	1,69	1,85	1,68	1,68	—17	...
Assessment on vacant building sites	87	94	97	90	95	97	+5	+2
Total ...	2,86	2,78	2,66	2,75	2,63	2,65	—12	+2

Revised, 1913-14.—There is a gradual decrease of revenue under this head owing to the increase in the number of unions in the State. The nine months' actuals according to the preliminary account are less than those for the corresponding pericd in 1912-13 in which the total receipts where 2,66. Anticipating that the next 3 months' realisations will be about the same as in the last year, the revised estimate has been placed at 2,63.

Budget, 1914-15.—The estimate for 1914-15 nearly follows the revised estimate for the current year, and has not yet been accepted by Government.

J. S. C.
4-5-14.

VII—Stamps.

Accounts.	First Months Eight	Nine	Ten	Last Months Four	Three	Two	Total	Later figures
1910-11 ...	5,35	6,09	6,78	2,91	2,17	1,48	8,26	
1911-12 ...	5,87	6,68	7,47	3,28	2,47	1,68	9,15	
1912-13 ...	6,13	6,95	7,68	3,28	2,46	1,73	9,41	
1913-14 ...	6,92	7,92						
Estimates.							Revised by March's figures	Revised by April's figures
1913-14 ... Budget	"	"	"	"	"		9,00	
1913-14 ... Revised	"	"					10,30	10,30
1914-15 ... Budget	"	"	"	"	"		9,34	9,75

Minor Heads	Accounts 1910-11	1911-12	1912-13	1913-14 Budget Estimate	Revised Estimate	1914-15 Budget Estimate	Revised, 1913-14 +more −less than Budget, 1913-14	Budget, 1914-15 +more −less than Revised, 1913-14
Sale of General Stamps ..	3,48	3,79	4,04	3,75	4,34	3,94	+59	−40
Sale of Court-fee Stamps ...	4,48	5,05	4,90	4,80	5,20	4,80	+40	−40
Sale of Stamped paper for copies ...	...	...	13	16	41	30	+25	−11
Sale of Plain Paper for Court purposes	7	7	7	7	7	7	...	...
Duty on impressing unstamped and insufficiently stamped documents	10	10	13	10	14	10	+4	−4
Fines and Penalties	12	13	13	11	13	12	+2	−1
Miscellaneous	1	1	1	1	1	1	...	...
Total ..	8,26	9,15	9,41	9,00	10,30	9,34	+1,30	−96

Revised, 1913-14.—The collections during the first nine months according to the preliminary accounts are better by about one lakh than those for the corresponding period in 1912-13 and the increases are chiefly under the first three items. At this rate the revenue expected to be realised during the current year may be taken at 10,30.

Budget, 1914-15.—The estimate proposed by Stamp Commissioner was 9,25 and that provisionally accepted by Government stands at 9,34. The sale proceeds of stamped papers for copies are now another source of income for the Stamp Department and the development of industrial and commercial activity in the State is reflected in the increased receipts under General and Court Fee stamps. In view of these facts the estimate of stamp revenue may, I think, be raised to 9,75.

J. S. C.
4-5-14.

VIII—Registration.

	First Months			Last Months			Total		
	Eight	Nine	Ten	Four	Three	Two			
Accounts.								Later figures.	
1910-11 ...	1,00	1,15	1,31	63	48	32	1,63		
1911-12 ...	1,02	1,17	1,43	83	68	42	1,85		
1912-13 ...	1,15	1,29	1,46	68	54	37	1,83		
1913-14 ...	1,25	1,44						Revised by March's figures	Revised by April's figures
Estimates.									
1913-14 ... Budget	„	„	„	„	„		1,85		
1913-14 ... Revised	„	„					1,95	1,95	
1914-15 ... Budget	„	„	„	„	„		1,81	1,81	

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 +more —less than Budget, 1913-14	Budget, 1914-15 +more —less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Fees levied in Registry and Sub-Registry Offices	1,58	1,79	1,74	1,79	1,85	1,73	+6	—12
Penalties levied in Registry and Sub-Registry Offices ...	1	1	1	1	1	1	...	...
Fees for Registration of Companies under Act X of 1866 ...	1	...	2	...	1	1	+1	...
Miscellaneous	3	5	6	5	8	6	+3	—2
Total ...	1,63	1,85	1,83	1,85	1,95	1,81	+10	—14

Revised, 1913-14.—The only important variation was under *Fees levied in Registry and Sub-Registry offices*, apparently due to the development of industrial and commercial activities in the State.

The revised estimate has been placed at 1,95 which is 10 in advance of the Budget.

Budget, 1914-15.—The estimate has been provisionally taken by Government at 1,81 which is not very different from the actuals for 1912-13.

J. S. C.
4-5-14.

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VIIIA—Surplus Revenues of Bangalore Assigned Tract.

		First Months			Last Months			Total	
		Eight	Nine	Ten	Four	Three	Two		Later figures
Accounts.									
1910-11	...	,,	,,	,,	,,	,,	,,	,,	
1911-12	...	,,	,,	,,	,,	,,	,,	,,	Revised by March's figures
1912-13	...	,,	,,	,,	,,	,,	,,	,,	Revised by April's figures
1913-14	...	,,	30,00	,,	,,	,,	,,	30,00	
Estimates.									
1913-14	... Budget	,,	,,	,,	,,	,,	,,	,,	
	... Revised	,,	,,	,,	,,	,,	,,	30,00	
1914-15	... Budget	,,	,,	,,	,,	,,	,,		

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 + more —less than Budget, 1913-14	Budget, 1914-15 + more —less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Surplus revenues of Bangalore Assigned Tract	...	...	...	...	30,00	13,43	+30,00	—16,57
Total ...	...	...	...	...	30,00	13,43	+30,00	—16,57

The question which was for some time past under the consideration of the Government of India of paying to the Government of His Highness the Maharaja the surplus revenues of the Bangalore Assigned Tract was decided this year in favour of this Government, and after a careful examination of the amount which might be paid in accordance with this decision, a sum of Rs. 30 lakhs was paid in March 1914 as part payment towards such surplus due from 1881 to end of 1910-11. This was not anticipated in the budget. A sum of Rs. 9,22,939 in adjustment of the balance is expected in the next year. The estimate for 1914-15 includes this balance and the surpluses that may be expected from 1911-12 to 1913-14 calculated on the average of past actuals.

J. S. C.
13-5-14.

IX—Mining Royalty and Leases.

	First Months			Last Months			Total		
	Eight	Nine	Ten	Four	Three	Two		Later figures	
Accounts.									
1910-11 ...	10,86	13,53	15,52	7,28	4,61	2,62	18,14		
1911-12 ...	11,53	13,74	16,15	7,66	5,45	3,04	19,19	Revised by March's figures	Revised by April's figures
1912-13 ...	12,06	12,42	15,93	7,30	6,94	3,43	19,36		
1913-14 ...	11,62	13,13							
Estimates.									
1913-14 ... Budget	,,	,,	,,	,,	,,	,,	19,00		
1913-14 ... Revised	,,	,,					19,36		
1914-15 ... Budget	,,	,,	,,	,,	,,	,,	19,00		

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 + more −less than Budget, 1913-14	Budget, 1914-15 +more −less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Royalty	18,06	19,08	19,26	18,90	19,30	18,90	+40	−40
Rent on Prospecting Lands ..	8	11	10	10	6	10	−4	+4
Fines on Assignments	...	...	..	...				
Total ...	18,14	19,19	19,36	19,00	19,36	19,00	+36	−36

Revised, 1913-14.—The nine months' actuals are about 70 in advance of the actuals of last year for the same period, and are about 60 less than the actuals of 1911-12 in which the realisations for the whole year amounted to 19,19. The realisations under this head depend not only on the output of gold from mines but also on the progress of the payments by the mines in adjustment of their dues for which 3 months' time is allowed. The revised estimate is therefore placed at the same figure as the actuals of the previous year.

Budget Estimates, 1914-15.—The Geological Secretary estimated this revenue at 18,56 but this was raised to 19 lakhs in view of past actuals and accepted by Government.

J. S. C.
4-5-14

X—Interest.

Accounts	First Months: Eight	Nine	Ten	Last Months: Four	Three	Two	Total	Later figures
1910-11 ...	69	76	83	82	75	68	1,51	
1911-12 ...	42	52	57	78	68	63	1,20	
1912-13 ...	2,51	2,61	2,66	1,64	1,54	1,49	4,15	
1913-14	68							

Estimates.			Revised by March's figures	Revised by April's figures
1913-14 ...	Budget	2,54		
	Revised	1,30		
1914-15 ...	Budget	1,44		

Minor Heads	Accounts 1910-11	1911-12	1912-13	1913-14 Budget Estimate	Revised Estimate	1914-15 Budget Estimate	Revised, 1913-14 + more —less than Budget, 1913-14	Budget, 1914-15 + more —less than Revised, 1913-14
Interest on loans	1,12	84	3,83	2,01	1,03	1,10	—98	+7
Interest on arrears of revenue ...	39	36	32	33	27	34	—6	+7
Total ...	1,51	1,20	4,15	2,34	1,30	1,44	—1,04	+14

Revised, 1913-14.—The bulk of the decrease, as compared with the budget, is under the first item. The budget estimate included the full demand on the several loans comprised under the head "Interest on Loans," but it is expected that the interest from Loans to encumbered Jahgirdars and Loans to Agricultural Banks will not be fully realised.

Budget, 1914-15.—The figures are normal, and the decrease of 90 as compared with the current year's budget is explained by the fact that the interest demand on the loan to the Bikneer State is 8 less next year than in this year, as some instalments of the loan have been paid, and a deduction of 84 has been made in the next year's budget as amount not likely to be recovered during the year, while in the year 1913-14 the total demand was taken for the budget without any deduction for amounts not likely to be recovered.

J. S. C.
4-5-14.

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XI—Profit or Loss.

	First Months			Last Months			Total	
Accounts.	Eight	Nine	Ten	Four	Three	Two		Later figures
1910-11 ...	2,61	3,49	3,49	3,87	2,99	2,99	6,48	
1911-12 ...	3,93	3,93	3,93	48	48	48	4,41	
1912-13 ...	7,25	7,25	7,25	46	46	46	7,71	
1913-14 ...	9,39							
Estimates.								Revised by March's figures / Revised by April's figures
1913-14 ... Budget	„	„	„	„	„		10,00	
1913-14 ... Revised	„	„	„	„	„		16,00	
1914-15 ... Budget	„	„	„	„	„		12,50	

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 +more —less than Budget, 1913-14	Budget, 1914-15 + more —less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Profit on Investments	5,91	4,04	7,07	9,47	13,67	12,00	+4,20	—1,67
Interest on Current Deposits in Madras Bank	57	37	64	53	2,33	50	+1,80	—1,83
Total ...	6,48	4,41	7,71	10,00	16,00	12,50	+6,00	—3,50

Revised, 1913-14.—The figure put down for the revised estimate is the highest on record and is more than double the latest and highest actuals. The causes which have contributed to this result are:—

(1) A sum of about 3 lakhs being the interest on certain Government of India securities for the 2nd half of the year 1912-13 was realised at the beginning of the current year.

(2) A sum of 3½ lakhs has been realised on fixed deposits kept at Presidency banks.

(3) A sum of 1,30 being the interest on the current deposit account at the Madras Bank for the second half year of 1912-13 was realised in the current year.

(4) On account of the demands of the money market, the current deposit account at the Bank of Madras carried interest by special arrangements with the bank during a portion of the year during which interest is not usually allowed. This accounts for an increase of 41.

Of these items 2,40 out of (2) was foreseen at Budget time and not the others. Hence the large difference between the budget and the revised estimate.

Budget, 1914-15.—The estimate of 12,000 under *Profit on Investments* includes the interest on all the investments expected to earn interest in the course of the year, and that under *Interest on Current Deposit Account* is based on the average of the monthly balances expected to remain in the current deposit account at the Branch Bank.

As already suggested by me this major head will be expunged in the next year's budget, and the receipts under this head shown under a new minor head to be opened under X. Interest.

J. S. C.
6-5-14.

XII A—Law and Justice—Courts of Law.

Accounts.	First Months			Last Months			Total	Later figures
	Eight	Nine	Ten	Four	Three	Two		
1910-11 ...	27	31	34	17	13	10	44	
1911-12 ...	28	32	36	19	15	11	47	
1912-13 ...	39	45	50	20	14	9	59	
1913-14	35							

Estimates.								Revised by March's figures	Revised by April's figures
1913-14 ...	Budge	,,	,,	,,	,,	,,	47		
	Revised	,,	,,	,,			51		
1914-15 ...	Budget	,,	,,	,,	,,	,,	49		

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 + more —less than Budget, 1913-14	Budget, 1914-15 + more —less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Sale proceeds of Unclaimed and Escheated Property	2	2	4	3	3	3	...	...
Recoveries on account of Pauper Suits	5	4	2	3	2	3	—1	+1
Fees, Fines and Forfeitures ...	35	38	49	38	43	40	+5	—3
Miscellaneous	2	3	4	3	3	3	...	...
Total ...	44	47	59	47	51	49	+4	—2

Revised, 1913-14.—Except under *Fees, Fines and Forfeitures*, the revised estimate does not materially differ from Budget Estimates for the year. An excess realisation of 5 is expected under *Fees, Fines and Forfeitures*.

Budget, 1914-15.—The receipts for 1914-15 have been estimated at 49 on the basis of past actuals. The estimate has not yet received the sanction of Government.

J. S. C.
6-4-14.

XII B—Law and Justice—Jails.

		First Months			Last Months			Total
		Eight	Nine	Ten	Four	Three	Two	Later figures
Accounts.								
1910-11	...	13	14	21	12	11	4	25
1911-12	...	10	15	16	11	6	5	21
1912-13	...	16	19	26	16	13	6	32
1913-14	...	15						
Estimates.								Revised by March's figures / Revised by April's figures
1913-14	... Budget	,,	,,	,,	,,	,,		39
	... Revised	,,	,,	,,				31
1914-15	... Budget	,,	,,	,,	,,	,,		38

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 + more —less than Budget, 1913-14	Budget, 1914-15 + more —less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Proceeds of Jail Labour and Manufactures	16	14	18	15	15	16	...	+1
Proceeds of Jail Gardens ...	1	1	1	1	1	1	...	...
Hire of Convicts	2	1	1	1	1	1	...	...
Cost of maintenance of Civil and Military Station Prisoners at the Central Jail, Bangalore ...	6	5	6	6	7	6	+1	—1
Sale proceeds of weights and measures	...	...	6	16	7	14	—9	+7
Miscellaneous	...	...	...	...	...	...		
Total ...	25	21	32	39	31	38	—8	+7

Revised, 1913-14.—There is a decrease of 8 from the budget caused by less receipts under *sale proceeds of weights and measures.* This is because the budget was framed for the number of weights and measures expected to be manufactured at the Jail. But the required machinery has not yet been installed and a small supply of weights and measures immediately required for issue was purchased and kept for sale at the Jail. As the stock of measures is exhausted, the sale proceeds are expected to be within 7.

Budget, 1914-15.—But for the difference under *sale proceeds of weights and measures* under which the budget is more than the revised estimate as weights and measures will be manufactured at the Central Jail from next year, the figures are normal. The estimate has been accepted by Government.

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6-5-14.

XIII—Police.

		First Months			Last Months			Total	
		Eight	Nine	Ten	Four	Three	Two		Later figures
Accounts.									
1910-11	...	9	16	18	16	9	7	25	
1911-12	...	13	15	15	8	6	6	21	
1912-13	...	11	11	17	13	13	7	24	
1912-13	...	15							Revised by March's figures
Estimates.									Revised by April's figures
1913-14	... Budget	,,	,,	,,	,,	,,	,,	25	
	... Revised	,,	,,	,,				27	
1914-15	... Budget	,,	,,	,,	,,	,,	,,	28	30

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 +more —less than Budget, 1913-14	Budget, 1914-15 +more —less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Fines and Forfeitures	...	...	...	...	...	...	...	...
Police supplied to Private Persons ...	...	...	1	1	1	1	...	...
Seven-tenths share of Railway Police recovered from Companies and District Boards ...	8	7	6	7	8	11	+1	+3
Fees under Arms Act and Licenses under other Regulations ...	...	...	...	...	...	...	...	...
Contributions	12	13	16	15	16	15	+1	—1
Other Receipts	5	1	1	2	2	1	...	—1
Total ...	25	21	24	25	27	28	+2	+1

Revised, 1913-14.—There is nothing special about these figures except for the addition of 1 under the 3rd and 5th items due to the additional recoveries on account of Police force employed on the newly constructed Kolar-Bowringpet Railway and of the Kolar Gold Fields Railway the jurisdiction over which has been given to this State and to the pensionary contributions recovered from the mines on account of the Kolar Detective Police being higher.

Budget, 1914-15.—As compared with the current year's budget there is an addition of 4 under the 3rd item for recoveries on account of the additional force entertained (*vide* remarks above) for policing the Kolar Railways. An addition of 1 has to be made under contributions for higher pensionary contributions due from the Mines. An addition of 1 has also to be made under the 4th item on account of the fees for license and registration of motor cars in the State to be levied under the new Regulations. With these additions the estimate for the next year may be taken at 30.

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XIV—Education.

Accounts	First Months: Eight	Nine	Ten	Last Months: Four	Three	Two	Total	Later Figures
1910-11 ...	77	89	95	56	44	38	1,33	
1911-12 ..	90	1,00	1,06	57	47	41	1,47	
1912-13 ...	1,05	1,16	1,20	59	48	44	1,64	
1913-14 ...	1,17							
Estimates.								Revised by March's figures / Revised by April's figures
1913-14 ... Budget	„	„	„	„	„		1,43	
1913-14 ... Revised	„	„					1,77	
1914-15 ... Budget	„	„	„	„	„		1,60	

Minor Heads	Accounts 1910-11	1911-12	1912-13	1913-14 Budget Estimate	1913-14 Revised Estimate	1914-15 Budget Estimate	Revised, 1913-14 +more —less than Budget, 1913-14	Budget, 1914-15 +more —less than Revised, 1913-14
School Fees	82	91	99	81	1,06	1,00	+25	—6
Examination Fees	...	...	...	7	...	...	—7	...
Sale proceeds of School Books, Maps and other Publications...	29	33	39	36	45	35	+15	—10
Contributions	20	22	24	24	24	24	...	...
Other Receipts	2	1	2	1	2	1	+1	—1
Total ...	1,33	1,47	1,64	1,43	1,77	1,60	+34	—17

Revised, 1913-14.—The increase over the current year's budget is under *school fees* and *sale proceeds of school books, maps, etc.*

Budget, 1914-15.—This is framed on the basis of previous actuals and includes the estimated receipts amounting to 15 from Industrial and other technical schools transferred to the Education Department from Local Funds General with effect from the current year.

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XV—Medical.

Accounts.	First Months Eight	Nine	Ten	Last Months Four	Three	Two	Total	Later Figures
1910-11 ...	13	21	39	1,04	96	78	1,17	
1911-12 ...	20	22	30	89	87	79	1,09	
1912-13 ...	26	28	31	86	84	81	1,12	
1913-14	27							

Estimates.		Revised by March's figures	Revised by April's figures
1913-14 ...	Budget ,, ,, ,, ,, ,,	1,23	
	Revised ,,	1,17	
1914-15 ...	Budget ,, ,, , ,, ,,	1,20	

Minor Heads	Accounts 1910-11	1911-12	1912-13	1913-14 Budget Estimate	Revised Estimate	1914-15 Budget Estimate	Revised, 1913-14 +more —less than Budget, 1913-14	Budget, 1914-15 +more —less than Revised, 1913-14
Hospital Receipts	...	1	3	1	4	1	+3	—3
Value of Medicines sold ...	1	1	1	1	1	1	...	...
Cost of maintenance of Civil and Military Station Lunatics and Lepers	7	6	6	7	6	6	—1	...
Miscellaneous	5	5	5	5	4	4	—1	...
Contributions	1,00	90	91	1,02	96	1,01	—6	+5
Receipts from Lunatic Labour ...	...	...	...	...	...	...	...	...
Sale of Lanoline Vaccination Lymph	3	4	4	3	3	3	...	...
Sale of vaccinated calves ...	...	...	1	1	1	1	...	...
Sanitary School	...	...	1	1	1	...	...	—1
Plague Receipts	1	2	2	2	1	2	—1	+1
Contribution from Municipal and Local Funds General on account of the part pay of the Superintendent, Indigenous Hospital...	...	...	...	...	...	1	...	+1
Total ...	1,17	1,09	1,12	1,23	1,17	1,20	—6	+3

There are no important variations either in the revised estimate for the current year or the Budget estimate for 1914-15 except under Contributions from Municipal and District funds on account of Local Fund dispensaries which depend on the grants allotted every year for these dispensaries on the expenditure side.

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XVI—Scientific and other Minor Departments.

		First Months			Last Months			Total	
		Eight	Nine	Ten	Four	Three	Two		
Accounts.									Later Figures
1910-11	...	33	35	40	26	24	19	59	
1911-12	...	44	63	70	42	23	16	86	
1912-13	...	84	91	94	29	22	19	1,13	
1913-14	..	89							
Estimates.									Revised by March's figures / Revised by April's figures
1913-14	... Budget	„	„	„	„	„		75	
	... Revised	„	„					1,07	
1914-15	... Budget	„	„	„	„	„		89	

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 +more —less than Budget, 1913-14	Budget, 1914-15 +more —less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Botanical and other Gardens ...	8	8	9	8	9	8	+1	—1
Veterinary and Stallion Receipts ...	36	61	79	53	76	57	+23	—19
Agricultural Department ...	1	4	4	1	1	5	...	+4
Geological Department ...	7	4	2	3	3	3	...	...
Receipts on account of Public Exhibitions and Fairs ...	1	3	3	2	3	2	+1	—1
Examination Fees	6	6	15	8	15	14	+7	—1
Miscellaneous	...	...	1	...	...	...		
Total ...	59	86	1,13	75	1,07	89	+32	—18

Revised, 1913-14.—The only noticeable variations from the budget are under *Veterinary and Stallion Receipts* and *Examination Fees*. The increase of 23 in the former case is due to the larger sales of Amrut Mahal bulls and that of 7 under Examination fees to the receipts from School Final and Government Technical examinations newly introduced.

Budget, 1914-15, follows the revised estimate except under *Veterinary and Stallion Receipts* and *Agricultural Department*. The estimate of 57 under Veterinary and Stallion receipts is based on previous actuals and has been accepted by Government. That under Agricultural Department includes an addition of 4 expected to be realised in the Department from sale of manures, implements, etc., to agriculturists.

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XVII—Receipts-in-aid of Superannuation Pensions.

Accounts.	First Months			Last Months			Total	Later figures
	Eight	Nine	Ten	Four	Three	Two		
1910-11 ...	1	1	1	2	2	2	3	
1911-12 ...	1	1	1	5	5	5	6	
1912-13 ...	,,	,,	,,	2	2	2	2	
1913-14 ...	1							
Estimates.								Revised by March's figures / Revised by April's figures
1913-14 ... Budget			,,	,,	,,	,,	2	
1913-14 ... Revised			,,				2	
1914-15 ... Budget			,,	,,	,,	,,	2	

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 + more −less than Budget, 1913-14	Budget, 1914-15 +more −less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Contributions towards Pension and Gratuities	3	6	2	2	2	2	...	...

No remarks.

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XVIII—Stationery and Printing.

	First Months			Last Months			Total	Later figures
	Eight	Nine	Ten	Four	Three	Two		
Accounts.								
1910-11 ...	7	7	8	10	10	9	17	
1911-12 ...	3	5	6	7	5	4	10	
1912-13 ...	4	5	6	4	3	2	8	
1913-14 ...	6							Revised by March's figures / Revised by April's figures
Estimates.								
1913-14 ... Budget	,,	,,	,,	,,	,,		9	
1913-14 ... Revised	,,	,,					10	
1914-15 ... Budget	,,	,,	,,	,,	,,		9	

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 more (+) less than (—) Budget, 1913-14	Budget, 1914-15 +more —less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Stationery Receipts	9	3	2	3	3	4	...	+1
Sale of Gazette and other Publications	4	4	4	4	4	4	...	...
Other Press Receipts	4	3	2	2	3	1	+1	—2
Total ..	17	10	8	9	10	9	+1	—1

The figures are normal and call for no remarks.
The figures for the budget of 1914-15 have been accepted by Government.

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XIX—Miscellaneous.

Accounts.	First Months Eight	Nine	Ten	Last Months Four	Three	Two	Total	Later figures
1910-11 ...	98	1,10	1,21	1,10	98	87	2,08	
1911-12 ...	80	97	1,10	1,07	90	77	1,87	
1912-13 ...	78	93	1,02	86	71	62	1,64	
1913-14 ...	89							
Estimates.								Revised by March's figures / Revised by April's figures
1913-14 ... Budget	,,	,,	,,	,,	,,		1,68	
1913-14 ... Revised	,,	,,					1,71	
1914-15 ... Budget	,,	,,	,,	,,	,,		1,67	

Minor Heads	Accounts 1910-11	1911-12	1912-13	1913-14 Budget Estimate	1913-14 Revised Estimate	1914-15 Budget Estimate	Revised, 1913-14 +more —less than Budget, 1913-14	Budget, 1914-15 +more —less than Revised, 1913-14
Unclaimed Deposits	77	44	36	38	37	40	—1	+3
Dividends and Duties	21	20	22	20	27	28	+7	+1
Tolls	24	24	29	23	29	26	+6	—3
Fees for Government Audits ...	...	1	...	...	...	...	...	...
Miscellaneous Fees, Fines and Forfeitures	16	18	19	18	18	18	...	...
Miscellaneous Sale Proceeds ...	31	39	37	31	40	33	+9	—7
Salt	...	5	5	7	4	5	—3	+1
Miscellaneous	39	36	16	31	16	17	—15	+1
Total ...	2,08	1,87	1,64	1,68	1,71	1,67	+3	—4

Revised, 1913-14.—There is an improvement of 3 over the budget, which is the net result of improvements under certain heads and decline under others. The improvement under *Dividends and Duties* is on account of the shares held by Government in the Mysore Spinning and Manufacturing Co., Ltd., which began to distribute dividends from the current year, and also to the larger duty collected on the increased manufacture of cotton goods in the two mills at Bangalore. The realisations under *Tolls* and *Miscellaneous Sale Proceeds* are also better. The decrease under *Miscellaneous* is under "Acreage Contribution" and "Other Items".

Budget, 1914-15.—The figures are as recommended by me in regard to the detailed estimates and have not yet been sanctioned by Government.

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7-5-14.

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XX—Army.

Accounts	First Months: Eight	Nine	Ten	Last Months: Four	Three	Two	Total	Later figures: Revised by March's figures	Revised by April's figures
1910-11 ...	50	58	64	20	12	6	70		
1911-12 ...	45	47	53	24	22	16	69		
1912-13 ...	52	59	63	20	13	9	72		
1913-14 ..	55								
Estimates.									
1913-14 ... Budget ,,		,,	,,	,,	,,		62		
1913-14 ... Revised ,,							74		
1914-15 ... Budget ,,		,,	,,	,,	,,		84		

Minor Heads	Accounts 1910-11	1911-12	1912-13	1913-14 Budget Estimate	1913-14 Revised Estimate	1914-15 Budget Estimate	Revised, 1913-14 +more —less than Budget, 1913-14	Budget, 1914-15 +more —less than Revised, 1913-14
Army Proper	17	28	17	16	23	23	+7	...
Stores Department	2	2	5	2	2	3	...	+1
Kunigal Farm	32	12	20	22	24	33	+2	+9
Hessarghatta and Nadamavinapura Farms.	19	27	30	22	25	25	+3	..
Total ...	70	69	72	62	74	84	+12	+10

Revised, 1913-14.—Larger realisations from sale of transport ponies and hire of Government carriages account for the increase of 7 over the budget under *Army Proper*, which is the only noticeable item of fluctuation.

Budget, 1914-15.—The increase of 7 over the current year's budget under *Army Proper*, is on account of the larger realisations anticipated from sale proceeds of cast horses and ponies due to the conversion of some more divisions of the I. S. T. Corps into bullock train. From sale of foals from the Kunigal Stud Farm also, the receipts are expected to be double the current year's budget forecast. This estimate is still under the consideration of Government.

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XX A—Military Works.

Accounts.	First Months			Last Months			Total	Later figures
	Eight	Nine	Ten	Four	Three	Two		
1910-11 ...								
1911-12			9	12	12	3	12	
1912-13 ...	3	6	7	12	9	8	15	
1913-14 ...	6							

Estimates.			Revised by March's figures	Revised by April's figures
1913-14 ...	Budget	„ „ „ „ „	10	
	Revised	„ „	10	
1914-15 ...	Budget	„ „ „ „ „	10	

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 + more −less than Budget, 1913-14	Budget, 1914-15 + more −less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Military Works ...	...	12	15	10	10	10	...	...

No remarks

J. S. C.
7-5-14.

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XXI.—State Railways—Revenue Account.

Accounts	First Months: Eight	Nine	Ten	Last Months: Four	Three	Two	Total	Later figures
1910-11 ...	3,48	3,48	4,89	7,11	7,11	5,70	10,59	
1911-12 ...	5,38	5,38	6,56	8,05	8,05	6,87	13,43	
1912-13 ...	5,28	6,80	9,75	10,99	9,47	6,52	16,27	
1913-14 ...	6,59							Revised by March's figures
Estimates.								
1913-14 ... Budget	,,	,,	,,	,,	,,		14,50	
1913-14 ... Revised	,,	,,					16,90	Revised by April's figures
1914-15 ... Budget	,,	,,	,,	,,	,,		17,00	

Minor Heads	Accounts 1910-11	1911-12	1912-13	1913-14 Budget Estimate	Revised Estimate	1914-15 Budget Estimate	Revised, 1913-14, +more —less than Budget, 1913-14	Budget, 1914-15 +more —less than Revised, 1913-1914
Gross Receipts	28,31	32,53	37,22	36,00	42,00	42,00	+6,00	...
Deduct—								
Working Expenses	*17,14*	*18,49*	*19,95*	*20,76*	*24,37*	*24,30*	*+3,61*	*—7*
Surplus profits paid to Madras and Southern Mahratta Railway Company.	*58*	*61*	*1,00*	*74*	*73*	*70*	*—1*	*—3*
Net Receipts ...	10,59	13,43	16,27	14,50	16,90	17,00	+2,40	+10

For reasons explained in my detailed note on the estimate of Railway revenue, I have taken the revised at 16,90 and the budget for 1914-15 at 17,00.

J. S. C.
7-5-14.

Extract from the note separately submitted on this estimate.

Revised Estimate for 1913-14.

The following gives in detail the amount that may be taken for gross earnings.—

Gross Earnings	Broad gauge	Metre gauge	Total
(1) Actuals as per monthly audited accounts received from the Company, from 1st July to 31st December 1913.	87,543	17,78,576	18,66,119
(2) Approximate earnings as per Company's return from 1st January to 7th March 1914, (66 days.)	33,104	8,04,529	8,37,633
(3) Estimate for the remaining period from 8th March to 30th June 1914 (115 days.)	57,681	14,01,831	14,59,512
Add—On account of excess receipts over the approximate estimate at 2% of the approximate earnings.	1,816	44,127	45,943
Items (2) and (3)	92,601	22,50,487	23,43,088
Total ...	1,80,144	40,29,063	42,09,207

The Railway Company however takes it at 37,50 but the Secretary for Railways remarks that the receipts are susceptible of enhancement. The revised estimate may however be safely taken at 42 lakhs in round figures.

Working Expenses.

	Broad gauge.	Metre gauge.	Total.
(1) Actuals as per monthly accounts, July to December 1913	59,230	11,09,930	11,69,160
(2) Approximate from January to June 1914 at 54 °/o on the estimated gross earnings for this period	50,160	12,18,910	12,69,070
	1,09,390	23,28,840	24,38,230
(3) Surplus profits (approximate)			73,000
Total working expenses			25,11,230

or 25·10 lakhs in round figures.

The revised net earnings for this year will therefore be (42·00—25·10=)16·90 lakhs. The net earnings would have been still larger had it not been for some increase in the percentage of working expenses in the first half of the current year over the corresponding period of the last year. From a comparison of the net earnings during the last three years (*vide* margin), it will be seen that these earnings have been rising steadily every year and the revised estimate of 16·90 lakhs worked out above does not seem high.

Year.	Net earnings.
1910-11	10,58,807
1911-12	13,42,500
1912-13	16,26,989

Estimate for 1914-15.

The gross earnings for 1914-15 are estimated by the Company at 38 lakhs against their revised estimate of 37·50 lakhs for the current year. The revised estimate worked out above amounts however to 42 lakhs. On the basis of the revised estimate therefore the estimate of (1) gross earnings, (2) working expenses, and (3) net earnings for the ensuing year may be taken at 42, 25 and 17 lakhs respectively. The naturally progressive character of this revenue would seem to warrant the expectation of some improvement over the realisations of the current year; but considering the rather high rate of improvement during the last three years which cannot obviously go on indefinitely, some slacking in the high rate of increase is not unlikely. Therefore the figure proposed based on a slight improvement over the current year's revised seems to be safe.

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XXII—Public Works.

Accounts.	First Months			Last Months			Total	Later figures
	Eight	Nine	Ten	Four	Three	Two		
1910-11 ...	2,22	2,91	2,97	2,22	1,53	1,47	4,44	
1911-12 ...	1,75	1,98	2,18	1,98	1,75	1,55	3,73	
1912-13 ...	1,80	2,13	2,63	2,08	1,75	1,25	3,88	
1913-14 ...	1,89							

Estimates.								Revised by March's figures	Revised by April's figures
1913-14 ...	Budget	,,	,,	,,	,,	,,	3,34		
	Revised	,,	,,				3,63		
1914-15 ...	Budget	,,	,,	,,	,,	,,	3,38		

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 +more −less than Budget, 1913-14	Budget, 1914-15 +more −less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
1 Sale of water to the Kolar Gold Mines ...	2,50	1,54	2,39	2,29	242	229	+13	—13
2 Excess water rates realised in Mysore and Bangalore Cities...	52	32	70	64	71	58	+7	—13
3 Other Public Works Receipts ...	1,40	1,87	79	41	50	51	+9	+1
4 Military Works Receipts ...	2	...	..	...	...	..	...	...
Total ...	4,44	3,73	3,88	3,34	3,63	3,38	+29	—25

Revised, 1913-14.—The revised estimate is 29 in excess of the budget. The increase under *Excess water rates* was in consequence of a portion of the revenue realised from the Vanivilas water works in 1912-13 having been adjusted in the current year. *Other Public Works receipts* will be more on account of the larger contributions from District and Municipal funds for dispensaries which depend on the number of dispensary works taken up for execution during the year.

Budget, 1914-15.—The figures are in accordance with the departmental estimate, which has not yet been sanctioned by Government.

The estimate has since been accepted by Government.

J. S. C.
9-5-14.

XXIII.—Cauvery Falls Electric Power Transmission Scheme.

	First Months			Last Months			Total		
	Eight	Nine	Ten	Four	Three	Two			
Accounts.								Later figures	
1910-11 ...	7,96	10,55	10,71	8,03	5,44	5,28	15,99		
1911-12 ...	8,62	9,16	10,71	8,04	7,50	5,95	16,66		
1912-13 ...	9,02	10,31	12,45	8,04	6,75	4,61	17,06		
1913-14 ...	8,26	10,56						Revised by March's figures	Revised by April's figures
Estimates.									
1913-14 ... Budget	,,	,,	,,	,,	,,		17,00		
1913-14 ... Revised	,,	,,					17,12	17,12	
1914-15 ... Budget	,,	,,	,,	,,	,,		18,58	18,58	

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 +more —less than Budget, 1913-14	Budget, 1914-15 +more —less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Kolar Gold Fields Power Supply ...	14,14	14,25	14,31	14,25	14,18	15,30	—7	+1,12
Bangalore Lighting & Power Supply	99	1,17	1,34	1,26	1,46	1,61	+20	+15
Bangalore Civil and Military Station	61	70	78	82	83	90	+1	+7
Mysore City	25	54	63	67	65	77	—2	+12
Total ..	15,99	16,66	17,06	17,00	17,12	18,58	+12	+1,46

Revised, 1913-14.—The difference of 12 in the revised estimate is due to small fluctuations under all heads and calls for no remarks. The nine months' figures do not materially differ from those of the last year.

Budget, 1914-15.—The budget figures are those proposed in the departmental estimate and have not yet been accepted by Government.

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9-5-14.

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Total Receipts.

Accounts.		Total	Finance Department
1910-11		2,46,73	
1911-12		2,50,90	
1912-13		2,76,07	
Estimates.			
1913-14 ...	Budget ...	2,57,17	
	Revised ...	3,13,30	
1914-15 ...	Budget ...	2,86,45	
Revised by March's figures.			
1913-14 ...	Revised ..	3,13,30	
1914-15 ...	Budget ...	2,86,86	
Revised by April's figures.			
1913-14 ...	Revised ...		
1914-15 ...	Budget ...		

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16-5-14.

EXPENDITURE.

1. Refunds and Drawbacks.

Accounts.	First Months: Eight	Nine	Ten	Last Months: Four	Three	Two	Total	Later figures
1910-11 ...	28	35	48	1,83	1,76	1,63	2,11	
1911-12 ...	1,28	1,39	1,56	1,94	1,83	1,66	3,22	
1912-13 ...	93	1,01	1,07	1,73	1,65	1,59	2,66	
1913-14 ...	50							
Estimates.								Revised by March's figures / Revised by April's figures
1913-14 ... Budget	,,	,,	,,	,,	,,		2,42	
1913-14 ... Revised							2,37	
1914-15 ... Budget	,,	,,	,,	,,	,,		2,35	

Minor Heads	Accounts 1910-11	1911-12	1912-13	1913-14 Budget Estimate	1913-14 Revised Estimate	1914-15 Budget Estimate	Revised, 1913-14 +more —less than Budget, 1913-14	Budget, 1914-15 +more —less than Revised, 1913-14
Revenue Refunds.								
Land Revenue	1,58	1,54	1,58	1,50	1,50	1,50	...	...
Forest	4	2	1	2	1	2	—1	+1
Excise	20	1,34	65	60	50	50	—10	...
Assessed Taxes	...	...	1	...	...	...	...	...
Sayer Customs	...	...	...	...	...	...	...	...
Stamps	28	31	37	29	35	32	+6	—3
Registration	1	1	4	1	1	1	...	...
Total ...	2,11	3,22	2,66	2,42	2,37	2,35	—5	—2

Revised, 1913-14.—The refunds made to Inamdars of Excise revenue are expected to be less, as final orders of Government are not likely to be passed before the close of the year in respect of some of the outstanding claims. Some excess is anticipated under *Stamps*.

Budget, 1914-15.—The fall as compared with the current year's budget is chiefly under *Excise* due to some of the long outstanding claims having been settled.

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2. Land Revenue.

Accounts		First Months: Eight	Nine	Ten	Last Months: Four	Three	Two	Total	Later figures
1910-11	...	8,35	9,29	10,85	11,14	10,20	8,64	19,49	
1911-12	...	7,93	9,08	10,85	11,10	9,95	8,18	19,03	
1912-13	...	7,85	8,83	10,33	10,33	9,35	7,85	18,18	
1913-14		8,43							Revised by March's figures
Estimates.									Revised by April's figures
1913-14	... Budget	,,	,,	,,	,,	,,		19,79	
	... Revised	,,						19,07	
1914-15	... Budget	,,	,,	,,	,,	,,		19,88	

Minor Heads	Accounts 1910-11	Accounts 1911-12	Accounts 1912-13	1913-14 Budget Estimate	1913-14 Revised Estimate	1914-15 Budget Estimate	Revised, 1913-14 +more —less than Budget, 1913-14	Budget, 1914-15 +more —less than Revised, 1913-14
Revenue Commissioner ...	55	39	53	55	54	55	—1	+1
Charges of District Administration	8,53	8,73	8,52	9,27	8,67	9,49	—60	+82
Remuneration to Shanbhogs and Patels	8,59	8,15	7,38	8,15	8,15	8,03	...	—12
Revenue Survey and Settlement Department	1,56	1,49	1,46	1,53	1,42	1,52	—11	+10
Inam Department	4	4	4	4	4	4	...	...
District Survey Establishment ...	10	10	10	10	10	10	...	...
Assignments	12	13	15	15	15	15	...	...
Total ...	19,49	19,03	18,18	19,79	19,07	19,88	—72	+81

Revised, 1913-14.—The only noticeable items of variation are under *Charges of District Administration* and *Revenue Survey and Settlement*. The decrease in the former case is caused by savings in salaries and establishments, due in a measure to the new scale for shekdars not having been fully brought to effect, and to lapses in some of the grants for supplies and services. The lapse of about 8 under *Revenue Survey and Settlement Department* is on account of savings in establishment for which a lump sum grant of Rs. 90,000 was made in the budget.

Budget, 1914-15.—The budget is the same as that of the current year except for the increase under *District Administration* on account of the revision of the scale of district and taluk establishments, and a fall of about 12 under *Remuneration to Shanbhogs* and *Patels* due to there being no provision in the next year's budget for arrear payments as in the current year's budget. The figures have not been accepted by Government.

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3. Forest.

		First Months			Last Months			Total	Later figures
		Eight	Nine	Ten	Four	Three	Two		
Accounts.									
1910-11	...	3,57	4,12	4,84	3,36	2,81	2,09	6,93	
1911-12	...	3,87	4,59	5,20	3,27	2,55	1,94	7,14	
1912-13	...	3,55	4,03	4,72	3,41	2,93	2,24	6,96	
1913-14	...	4,73							
Estimates.									Revised by March's figures / Revised by April's figures
1913-14	... Budget	,,	,,	,,	,,	,,	,,	8,38	
	... Revised	,,	,,					8,80	
1914-15	... Budget	,,	,,	,,	,,	,,	,,	8,24	

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 +more —less than Budget, 1913-14	Budget, 1914-15 +more —less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
A—Conservancy and Works ..	3,82	4,08	3,91	4,60	5,39	4,50	+79	—89
B—Establishments	3,11	3,06	3,05	3,78	3,41	3,74	—37	+33
Total ...	6,93	7,14	6,96	8,38	8,80	8,24	+42	—56

Revised, 1913-14.—The excess under *Conservancy and Works* is in connection with the Khedda operations at the time of the Viceregal visit, provision for which was included in the lumpsum grant of 5 lakhs under 26 Miscellaneous, and the fall under establishments on account of savings in salaries and establishments.

Budget, 1914-15.—The figures are those recommended by me to Government in my note on the detailed budget of this Department and do not materially differ from the figures of the current year's budget. This estimate has not been approved by Government.

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4. Excise.

		First Months			Last Months			Total	
		Eight	Nine	Ten	Four	Three	Two		Later figures
Accounts.									
1910-11	...	2,22	2,51	2,77	1,15	86	60	3,37	
1911-12	...	2,21	2,50	2,78	1,14	85	57	3,35	
1912-13	...	2,27	2,49	2,79	1,07	85	55	3,34	
1913-14	...	2,21							
Estimates.									Revised by March's figures / Revised by April's figures
1913-14	... Budget	„	„	„	„	„	„	3,41	
	... Revised	„	„					3,42	
1914-15	... Budget	„	„	„	„	„	„	3,50	

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 + more — less than Budget, 1913-14	Budget, 1914-15 + more — less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Superintendence	38	36	30	39	30	39	—9	+9
District Executive Establishment ...	2,94	2,94	2,97	2,94	3,05	3,04	+11	—1
Distillery Establishment ..	4	5	7	8	7	7	—1	...
Loss by Dryage and Wastage of Opium	...	..	..	...	...	...	...	...
Loss by Dryage and Wastage of Ganja	1	...	...	...	...	...	...	...
Loss by Dryage and Wastage of Majum	...	...	...	...	...	...	...	...
Total ...	3,37	3,35	3,34	3,41	3,42	3,50	+1	+8

Revised, 1913-14.—The saving under *Superintendence* was in the salary of the Excise Commissioner as there was no separate Excise Commissioner for nearly seven months of the year. The excess under *District Executive Establishment* is in the remuneration to contractors for carrying liquor from the Central Distillery to the bonded depots.

Budget, 1914-15.—Has been taken by me at the figure recommended by me in my review on the departmental budget which has not yet been sanctioned by Government.

Since sanctioned by Government.

J. S. C.
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8. Stamps.

Accounts.	First Months: Eight	Nine	Ten	Last Months: Four	Three	Two	Total	Later figures: Revised by March's figures	Revised by April's figures
1910-11 ...	26	28	31	12	10	7	38		
1911-12 ...	19	22	25	15	10	7	32		
1912-13 ...	41	46	55	20	15	6	61		
1913-14 ...	35								
Estimates.									
1913-14 ... Budget	,,	,,	,,	,,	,,		42		
1913-14 ... Revised	,,	,,					49		
1914-15 ... Budget	,,	,,	,,	,,	,,		46		

Minor Heads	Accounts 1910-11	1911-12	1912-13	1913-14 Budget Estimate	1913-14 Revised Estimate	1914-15 Budget Estimate	Revised 1913-14 +more —less than Budget, 1913-14	Budget 1914-15 +more —less than Revised, 1913-14
I. Commissioner ...	...	...	...	...	...	...	...	...
II. Superintendence ...	3	2	3	2	3	2	+1	—1
III. Stamp Manufactory ...	14	7	34	17	20	20	+3	...
IV. Discount on sale of Stamp Papers and Labels ...	21	23	24	22	26	23	+4	—3
V. Discount on sale of Plain Paper for Court Purposes ...	...	...	...	1	...	1	—1	+1
Lump addition by F. D. ...	...	...	...	...				
Total ...	38	32	61	42	49	46	+7	—3

Revised, 1913-14.—There is some increase in the cost of plain paper for stamps under *Stamp Manufactory* and in the *Discount on Sale of Stamp papers and Labels.*

Budget, 1914-15.—The estimate has been provisionally sanctioned by Government.

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9. Registration.

	First Months			Last Months			Total	Later figures
Accounts.	Eight	Nine	Ten	Four	Three	Two		
1910-11 ...	55	62	69	28	21	14	83	
1911-12 ...	55	63	69	29	21	15	84	
1912-13 ...	57	64	71	27	20	13	84	
1913-14	57							
Estimates.								Revised by March's figures / Revised by April's figures
1913-14 ... Budget	"	"	"	"	"	"	91	
1913-14 ... Revised	"	"					86	
1914-15 ... Budget	"	"	"	"	"	"	90	

Minor Heads	Accounts			1913-14		1914-15	Revised 1913-14 +more —less than Budget, 1913-14	Budget 1914-15 +more —less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
I. Superintendence	8	9	8	9	7	9	—2	+2
II. District Charges	75	75	76	77	79	81	+2	+2
Lump addition by F. D. ...	...	...	...	5	..	...	—5	...
Total ...	83	84	84	91	86	90	—5	+4

Revised, 1913-14.—Owing to the fact that there was no separate officer appointed for the place of Excise Commissioner and *Ex-officio* Inspector-General of Registration for some months of the year, there is a saving under *Superintendence*. The excess under *District Charges* is nominal as it is only against a lumpsum grant of 5 in the budget to meet the cost of the revision of the establishment of Sub-Registry offices, the revision having taken effect only from November 1913.

Budget, 1914-15.—This includes the extra cost of the revised scale of establishment of Sub-Registry offices and follows the current year's budget. The estimate has been approved by Government.

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9-5-14.

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10. Charges against Mining Revenue.

		First Months			Last Months		Total
		Eight	Nine	Ten	Four	Three	Two	
Accounts.								Later figures
1910-11	...	1,39	1,55	1,72	76	62	43	2,15
1911-12	...	1,34	1,51	1,70	74	57	38	2,08
1912-13	...	1,38	1,54	1,72	73	57	39	2,11
1913-14	...							
Estimates.								Revised by March's figures / Revised by April's figures
1913-14	... Budget	,,	,,	,,	,,			2,33
	... Revised	,,	,,					2,19
1914-15	... Budget	,,	,,	,,				2,30

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 +more —less than Budget, 1913-14	Budget, 1914-15 +more —less than Revised, 1913-14
	1910-11	1911-12	1912 13	Budget Estimate	Revised Estimate	Budget Estimate		
Cost of supervision—75 per cent of Geological Department charges.	86	57	56	65	56	65	—9	+9
Do do Inspector of Mines and Explosives.	...	22	21	27	25	27	—2	+2
Law and Justice—Courts of Law ...	26	24	24	24	23	24	—1	+1
Police	63	63	70	73	75	73	+2	—2
Education	3	3	3	3	3	3	...	...
Medical	15	15	16	19	18	17	—1	—1
Miscellaneous	7	9	7	8	5	6	—3	+1
Refunds	15	15	14	14	14	15	...	+1
Total ...	2,15	2,08	2,11	2,33	2,19	2,30	—14	+11

The saving in the revised as compared with the current year's budget is in the charges transferred from the Geological Department where there has been a decrease of expenditure owing to the appointment of the 2nd State Geologist being vacant and one of the Assistant Geologists being deputed for other duty. The other variations are small and call for no remarks.

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11. Interest on Ordinary Debt

	First Months			Last Months			Total	Later figures
Accounts.	Eight	Nine	Ten	Four	Three	Two		
1910-11 ...	42	43	65	30	29	7	72	
1911-12 ...	31	31	62	35	35	4	66	
1912-13 ...	72	73	1,00	39	38	11	1,11	
1913-14 ...		41						
Estimates.								Revised by March's figures / Revised by April's figures
1913-14 ... Budget		,,	,,	,,	,,	,,	85	
1913-14 ... Revised		,,	,,	,,	,,	,,	80	
1914-15 ... Budget		,,	,,	,,	,,	,,	85	

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 + more − less than Budget, 1913-14	Budget, 1914-15 + more − less than Revised 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
On Five per cent Mysore Railway Loan of 1882	...	...	1	5	...	5	−5	+5
On Four per cent Mysore State Loan of 1906-07	72	66	1,10	80	80	80	...	...
Total ...	72	66	1,11	85	80	85	−5	+5

In the revised estimate no payment is expected to be made on account of the outstanding interest on the discharged Railway Loan of 1852.

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9-5-14.

12. Interest on other Obligations.

	First Months			Last Months			Total	
	Eight	Nine	Ten	Four	Three	Two		
Accounts.								Later figures
1910-11 ...	20	32	32	2,88	2,76	2,76	3,08	
1911-12 ...	23	24	25	2,83	2,82	2,81	3,06	
1912-13 ...	23	23	24	3,01	3,01	3,00	3,24	
1913-14 ...	21							Revised by March's figures
Estimates.								Revised by April's figures
1913-14 ... Budget	,,	,,	,,	,,	,,	,,	3,41	
1913-14 ... Revised	,,	,,	,,	,,	,,	,,	3,46	
1914-15 ... Budget	,,	,,	,,	,,	,,	,,	3,79	

Minor Heads	Accounts			1913-14		1914-15	Revised 1913-14 +more —less than Budget, 1913-14	Budget 1914-15 +more —less than Revised 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
1. On Mysore Government Savings Bank Deposits ...	2,02	2,08	2,20	2,30	2,30	2,50	...	+20
2. Endowment Funds ...	19	23	24	26	25	25	—1	...
3. On Mysore State Life Insurance Fund	65	71	78	85	90	1,03	+5	+13
4. Refunds	22	4	2	...	1	1	+1	...
Total ...	3,08	3,06	3,24	3,41	3,46	3,79	+5	+33

An increase of 5 is expected in the revised estimate under *State Life Insurance Fund*, as the interest due on the balance at credit of this fund has been recently raised from $3\frac{1}{8}$ per cent to $3\frac{1}{2}$ per cent from the second half of the current official year. In the budget for 1914-15, provision is made for larger balances expected to be at the credit of Savings Bank deposits and State Life Insurance Fund as compared with the balances of the current year.

The major head Profit or Loss will be expunged in the next year's budget and the charges amounting to 1 usually recorded under this head is included under *Refunds* here.

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14. Palace.

	First Months			Last Months			Total	
	Eight	Nine	Ten	Four	Three	Two		
Accounts.								Later figures
1910-11 ...	16,73	18,40	20,07	6,67	5,00	3,33	23,40	
1911-12 ...	16.55	18,22	19,89	6,67	5,00	3,33	23,22	
1912-13 ...	16,55	18,22	19,89	6,67	5,00	3,33	23,22	
1913-14 ...	16,27							Revised by March's figures
Estimates.								Revised by April's figures
1913-14 ... Budget	„	„	„	„	„		25,40	
1913-14 ... Revised	„	„	„	„	„		22,96	
1914-15 ... Budget	„	„	„	„	„		23,40	

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 + more — less than Budget, 1913-14	Budget, 1914-15 + more — less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Palace Civil List	20,00	20,00	20,00	20,00	20,00	20,00	...	...
Pensions to the Ruling Family ...	3,40	3,22	3,22	3,40	2,96	3,40	—44	+44
Total ...	23,40	23,22	23,22	23,40	22,96	23,40	—44	+44

The revised estimate stands at 22,96 as the provision for the pensions of the 3 daughters of the late 2nd Maharaja Kumari has not been fully utilized. The usual provision has however been made in the budget which is not yet sanctioned by Government.

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15. General Administration.

Accounts.	First Months: Eight	First Months: Nine	First Months: Ten	Last Months: Four	Last Months: Three	Last Months: Two	Total	Later figures
1910-11 ...	5,05	5,96	6,74	2,81	1,90	1,12	7,86	
1911-12 ...	4,80	4,57	5,19	1,64	1,87	1,25	6,44	
1912-13	5,17	6,10	6,89	3,14	2,21	1,42	8,31	
1913-14 ...	7,68							
Estimates.								Revised by March's figures / Revised by April's figures
1913-14 ... Budget	,,	,,	,,	,,	,,	,,	9,13	
1913-14 ... Revised	,,	,,					11,04	
1914-15 ... Budget		,,	,,	,,	,,	,,	8,82	8,90

Minor Heads	Accounts 1910-11	Accounts 1911-12	Accounts 1912-13	1913-14 Budget Estimate	1913-14 Revised Estimate	1914-15 Budget Estimate	Revised, 1913-14 + more — less than Budget, 1913-14	Budget, 1914-15 + more — less than Revised, 1913-14
Dewan to H. H. the Maharaja ...	44	52	60	48	48	48	...	...
Tour Charges	12	8	6	20	10	12	—10	+2
State Councillors	43	43	41	44	45	46	+1	+1
Legislative Council	1	...	...	1	1	1	...	...
Economic Conference	...	42	1,14	1,22	1,13	1,03	—9	—10
Civil Secretariats	2,39	2,33	2,40	2,63	2,80	2,75	+17	—5
Staff and Household of H. H. the Maharaja	1,02	1,03	1,01	1,13	99	94	—14	—5
Comptroller's Office	1,00	1,14	1,18	1,13	1,22	1,25	+9	+3
State Huzur Treasury	11	7	7	8	8	8	...	...
Reception and Entertainment of Guests	2,34	37	1,36	1,62	3,72	1,61	+2,10	—2,11
Durbar Presents	...	5	8	9	6	9	—3	+3
Lump addition by F. D.... ...	...	...	...	10	...	...	—10	...
Total ...	7,86	6,44	8,51	9,13	1,104	8,82	+1,91	—2,22

Revised, 1913-14.—There is on the whole an excess of 1,91 over the budget which appears wholly under *Reception and Entertainment of Guests*. This excess is only nominal as the charges in connection with the visit of H. E. the Viceroy to Mysore are classified in the accounts under this head, while the provision therefor was included in the lumpsum grant of five lakhs under 26 Miscellaneous.

Omitting therefore this item out of account the revised estimate aggregates to 7,31 against the budget total of 7,51 for this head. This is the net result of increases and decreases under the other minor heads. A lapse of 10 is anticipated under *Tour Charges* as there were no extended tours of His Highness the Maharaja during the year. Against the lumpsum grant of 10 under General Conference in the budget of the Economic Conference only 6 will be utilised on account of the newly appointed Secretaries and their establishments for the several District Committees, and a lapse of 14 will also occur in the grants for the Educational and Industrial Committees of the Conference which will be partly counterbalanced by an excess expenditure of about 10 over the budget in the Agricultural Committee owing to the appointment of a silk expert and staff for investigating the silk industry of the State, for which no provision was made in the budget.

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Under *Civil Secretariats*, but for an amount of Rs. 26,870, being the cost of motor cars purchased for the use of the Dewan and Councillors which has been recorded under this head, there would have been a saving of 13 in the establishment charges. Owing to the absence of Mr. Campbell, the Private Secretary to His Highness the Maharaja, on furlough during the year and his retirement from the British Service, there will be savings from the budget in his salary and contribution towards pension and leave allowances. The small increase under Comptroller's Office is in consequence of the revision of the office establishment sanctioned in the year.

Budget, 1914-15.—The budget estimate for 1914-15 is taken at 8,87 which is less than the revised estimate by 2,22. This is because the charges under *Reception and Entertainment of Guests* are expected to be normal during the next year. Except under *Economic Conference* the figures in the other heads do not show any material fluctuation. Under *Economic Conference* the budget provision is placed by me at 1,03 on the basis of sanctioned items but the department did not get sanction in respect of many obviously necessary items in time and it is probable that the provision will have to be considerably raised. The provision shown under *Staff and Household of His Highness the Maharaja* has been provisionally accepted by Government.

A lump addition of 8 may be made in the Comptroller's office budget on account of the following, which are under the consideration of Government:—

	Rs.
(1) Indian scholarship for one year and passage money for a candidate to receive training for becoming a chartered accountant	1,800
(2) Indian scholarship for one year and passage money for a candidate to receive training for becoming a member of the Institute of Bankers	1,900
(3) Appointment of a Commercial Auditor on Rs. 100	1,200
(4) Purchase of books for the Accounts Library sanctioned by Government but which cannot be purchased before the close of the official year	850
(5) English scholarship and passage moneys to the candidate selected for actuarial training. In the Budget sent to Government only Rs. 1,500 is included for Indian training. The difference is now added	2,100
Total ...	7,850

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16A. Law and Justice—Courts of Law.

Accounts.	First Months			Last Months			Total	
	Eight	Nine	Ten	Four	Three	Two		Later figures
1910-11 ...	5,04	5,67	6,32	2,49	1,86	1,21	7,53	
1911-12 ..	5,08	5,70	6,33	2,64	2,02	1,39	7,72	
1912-13	5,05	5,72	6,39	2,71	2,04	1,37	7,76	
1913-14 Estimates.	5,61							Revised by March's figures / Revised by April's figures
1913-14 ... Budget	„	„	„	„	„		8,19	
1913-14 ... Revised	„	„		„			8,38	8,38
1914-15 ... Budget	„	„	„	„	„		8,25	8,60

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 +more —less than Budget, 1913-14	Budget 1914-15 +more —less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Chief Court...	1,03	1,10	1,08	1,13	1,05	1,14	—8	+9
Law Officers	15	14	14	14	20	15	+6	—5
Civil and Sessions Courts ...	54	63	74	75	86	71	+11	—15
Assistant Sessions and Sub-Judges' Courts	32	30	33	33	35	33	+2	—2
Munsiffs' Courts	92	93	1,00	1,05	1,16	1,04	+11	—12
Process Serving Establishment ...	61	62	63	66	65	74	—1	+9
District Magistrates' Courts ...	21	19	22	3,86	3,80	3,89	—6	+9
City Magistrates' Courts ...	16	14	14	14	14	12	...	—2
Kolar Gold Fields Assistant Commissioner and 1st Class Magistrate's Court	...	...	..	...				
Refunds	12	11	13	13	17	13	+4	—4
	4,06	4,16	4,41	8,19	8,38	8,25	+19	—13
Share of Land Revenue Charges ...	3,47	3,56	3,35	...				
Lump addition by F. D. ...	...	...	...	...				
Total ...	7,53	7,72	7,76	8,19	8,38	8,25	+19	—13

Revised, 1913-14.—This is likely to exceed the budget by 19. The excess is mainly due to no provision having been made in the budget for the *Remuneration paid to Copyists and Examiners* in the several courts after the introduction of stamped copying papers. Such remuneration is expected to amount to about 34, and this excess will be partly counterbalanced by the net savings in the other heads.

Budget, 1914-15.—This is framed for the normal expenditure under this head and includes the increased cost of the process serving establishment recently revised by Government. This estimate does not include any provision on account of the remuneration to copyists and examiners in the several courts referred to above in reviewing the revised estimate and I would therefore add a provision of Rs. 35,000 on the basis of the revised estimate to be distributed under the several minor heads in the same proportion as the figures in the revised estimate. Provision for the pay of the Chief Judge of the Chief Court has been made at 2 per mensem pending orders of Government. This budget has not yet been approved by Government.

J. S. C.
13-5-14.

16B. Law and Justice—Jails.

Accounts.	First Months			Last Months			Total	Later figures
	Eight	Nine	Ten	Four	Three	Two		
1910-11 ...	80	89	98	38	29	20	1,18	
1911-12 ...	74	83	92	37	28	19	1,11	
1912-13 ...	75	84	93	40	31	22	1,15	
1913-14 ...	87							

Estimates.								Revised by March's figures	Revised by April's figures
1913-14 ...	Budget	,,	,,	,,	,,	,,	1,51		
	Revised	,,	,,		,,	,,	1,36		
1914-15 ..	Budget	,,	,,	,,	,,	,,	1,53		

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 +more —less than Budget, 1913-14	Budget, 1914-15 +more —less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Jails	1,05	1,00	1,04	1,15	1,21	1,18	+6	—3
Jail Manufactures	13	11	11	36	15	35	—21	+20
Refunds	...	...	...	..	...	...	...	...
Total ...	1,18	1,11	1,15	1,51	1,36	1,53	—15	+17

Revised, 1913-14.—The excess of 6 under *Jails* is due to increase in the dietary charges of Jails. The lump provision included in the budget for introducing Khaki weaving industry and for manufacturing weights and measures in the Central Jail is not likely to be utilized in the course of the year. There will therefore be a net lapse of 15 in the grant under this head.

Budget, 1914-15.—This includes the usual provision and extra provision for the Foreman and Assistant Foreman newly sanctioned for the Jail manufactory, the additional allotment of 2 for petty construction and repairs and a lump sum grant of 23 for Khaki weaving and manufacture of weights and measures. The estimate has been provisionally sanctioned by Government.

J. S. C.
12-5-14.

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17. Police.

Accounts.	First Months: Eight	Nine	Ten	Last Months: Four	Three	Two	Total	Later figures
1910-11 ...	6,25	7,07	7,84	3,19	2,37	1,60	9,44	
1911-12 ...	6,24	6,98	7,75	3,27	2,53	1,76	9,51	
1912-13	6,06	7,02	7,75	3,38	2,42	1,69	9,44	
1913-14 ...	6,53							

Estimates.			Revised by March's figures	Revised by April's figures
1913-14 ...	Budget	9,58		
	Revised	9,69		
1914-15 ...	Budget	10,30		

Minor Heads	Accounts 1910-11	1911-12	1912-13	1913-14 Budget Estimate	1913-14 Revised Estimate	1914-15 Budget Estimate	Revised, 1913-14 +more −less than Budget, 1913-14	Budget, 1914-15 +more −less than Revised, 1913-14
Superintendence	44	61	50	41	45	42	+4	−3
Town Police	74	74	71	79	82	92	+3	+10
District Police	7,76	7,66	7,99	8,13	8,15	8,66	+2	+51
Kolar Gold Fields Police ...	...	...	...	...	...	...	...	...
Special Police—Detective Police, Kolar Gold Fields ...	12	12	14	15	15	15	...	...
Railway Police	11	11	10	10	12	15	+2	+3
Refunds	...	...	...	...				
	9,17	9,24	9,44	9,58	9,69	10,30	+11	+61
Share of Land Revenue Charges ...	27	27	...	...				
Total ...	9,44	9,51	9,44	9,58	9,69	10,30	+11	+61

The revised estimate for 1913-14 is expected to be 11 more than the budget and the increase is in connection with the all round increase of pay sanctioned to the men of the Police Force, counterbalanced to a certain extent by lapses in the ordinary grants. The increase of 61 in the budget is due to the same cause.

J. S. C.
12-5-14.

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18. Education.

Accounts.	First Months: Eight	Nine	Ten	Last Months: Four	Three	Two	Total	Later figures
1910-11 ...	6,61	7,37	8,20	3.92	3,16	2,33	10,53	
1911-12 ...	6,63	7,40	8,23	4,09	3,32	2,49	10,72	
1912-13 ...	6,89	7,70	8,47	4,58	3,77	3,00	11,47	
1913-14 ...	7,94							

Estimates.			Revised by March's figures	Revised by April's figures
1913-14 ...	Budget	16,09		
	Revised	3,69		
1914-15 ...	Budget	13,38	18,41	

Minor Heads	Accounts 1910-11	1911-12	1912-13	1913-14 Budget Estimate	Revised Estimate	1914-15 Budget Estimate	Revised, 1913-14 +more —less than Budget, 1913-14	Budget, 1914-15 +more, —less than Revised 1913-14
Direction	36	18	28	34	36	37	+2	+1
Inspection	86	91	98	94	96	99	+2	+3
Government Colleges, General ...	1,98	2,29	2,06	2,44	2,23	2,28	—21	+5
Government Schools, General ...	3,70	3,72	3,99	4,22	4,11	4,34	—11	+23
Government Schools, Special ...	33	38	44	1,08	83	1,02	—25	+19
Book Department	32	26	29	67	37	34	—30	—3
Oriental Library and Search for Sanskrit Manuscripts ...	17	15	15	16	15	16	—1	+1
Grants-in-aid	2,15	2,17	2,53	3,98	3,86	2,95	—12	—91
Scholarships	48	47	49	52	64	74	+12	+10
Miscellaneous	18	19	31	16	18	19	+2	+1
Refunds	...	...	...	...	...	...	...	...
Lump addition ...	...	...	...	1,58	...	...	—1,58	...
Total ...	10,53	10,72	11,47	16,09	13,69	13,38	—2,40	—31

Revised, 1913-14.—This is expected to be 2,40 less than the budget chiefly owing to the special grants for opening new and improving existing schools and for technical education not being fully utilized and to other small variations. The decrease of 21 under *Government Colleges* is on account of savings in the salaries of professors on account of vacancies and deputations, in the salaries of masters and mistresses in the Maharani's Girls' College and in the lump grant for Botany laboratory in the Central College. The saving under *Government Schools General* is on account of the School Final Examination charges for which provision was included in the budget under this head having been classified under 21. S and M Departments—Examinations. The full provision in the budget for instruction in practical agriculture, Kindergarten & Sloyd are not likely to be utilized. Against the special lump grant of about 9 for improvement of three normal schools, included in this head, about 4 will be utilized on account of scholarships & this is recorded in the accounts under (9) Scholarships. This fact partly explains the excess of 12 under *Scholarships* which is also due to the scholarships given for training in technical schools outside the State hitherto paid from Local Funds General being debited to this head from the current year along with the charges of all industrial

schools in the State. The grant of 1 lakh for opening new and improving existing schools is not likely to be utilized in full this year as it is only lately that the recommendations of the Inspector-General of Education for utilizing this grant were sanctioned by Government and charges are not therefore likely to appear till the beginning of the next official year. The special grant of 30 included under *Book Department* for purchase of vernacular maps will not be fully utilized and some provisions for grant-in-aid to certain schools aggregating to about 12 will not be drawn during this year.

Budget, 1914-15.—The budget has been framed for the usual establishment and other charges so far as they are modified by the recent orders of Government reorganising the pay of Educational officers and for the charges relating to industrial schools transferred to State funds from Local Funds General with effect from the current year. The increase as compared with the revised estimate under *Government Schools General* and *Special* are due to the increase of salary to Educational officers and also the increase in the number of Anglo-Vernacular and Vernacular schools and to the additional provision included for the Channapatna Industrial School on account of developments in industrial and sericultural instructions at that school under the immediate direction of the Director of Industries and Commerce and the new Silk Expert. In the Book Department, only the usual grant of 20 for purchase of books, maps, etc., has been provided instead of 52 as in the current year on account of the special contract for vernacular maps. Under scholarships provision has been included for the scholarships hitherto given from Local Funds General for training in Technical schools outside the State and for some Europe scholarships. No grants have been added on account of the extension of primary education and for village school buildings. A sum up to 4,48 may therefore have to be added in the final budget for these two items and for other general schemes already submitted by the Inspector-General to Government. Out of the grants surrendered by the Inspector-General this year, a grant of about 55 is required to be re-allotted in the next year's budget. If these grants are sanctioned in full, the total allotment for the Education Department will stand at 18,41.

J. S. C.
13-5-14.

19. Muzrai or Religious and Charitable Institutions.

	First Months			Last Months			Total	Later figures	
	Eight	Nine	Ten	Four	Three	Two			
Accounts.									
1910-11 ...	3,49	3,51	3,53	6	4	2	3,55		
1911-12	3,45	3,41	3,42	„	4	3	3,45		
1912-13	3,36	3,43	3,45	15	8	6	3,51		
1913-14	3,37							Revised by March's figures	Revised by April's figures
Estimates.									
1913-14 ... Budget	„	„	„	„	„		3,55		
1913-14 ... Revised	„	„	„	„	„		3,52		
1914-15 ... Budget	„	„	„	„	„		3,57	3,57	

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 + more —less than Budget, 1913-14	Budget, 1914-15 + more —less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Superintendence	12	11	8	13	13	14	...	+1
Endowments to Chattrams ...	3,22	3,22	3,21	3,22	3,21	3,22	—1	+1
Stipends and Grants-in-aid ...	4	4	5	5	4	6	—1	+2
Supplies and Services	13	4	14	10	10	10	...	...
Ayurvedic College, Mysore ...	4	4	3	5	4	5	—1	+1
Total ...	3,55	3,45	3,51	3,55	3,52	3,57	—3	+5

The grants are normal.
The provision for construction and repairs included under *Supplies and Services* is fixed as usual at 10.

J. S. C.
13-5-14.

20. Medical.

	First Months			Last Months			Total	
	Eight	Nine	Ten	Four	Three	Two		
Accounts.								Later figures
1910-11 ...	4,49	5,01	5,63	2,72	2,20	1,58	7,21	
1911-12 ...	4,03	4,90	5,66	2,81	1,94	1,18	6,84	
1912-13 ...	4,45	5,11	5,71	3,25	2,59	1,99	7,70	
1913-14 ...	4,70							Revised by March's figures
Estimates.								Revised by April's figures
1913-14 ... Budget	,,	,,	,,	,,	,,	,,	8,48	
1913-14 ... Revised	,,	,,	,,	,,	,,	,,	7,99	
1914-15 ... Budget	,,	,,	,,	,,	,,	,,	8,38	9,38

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 + more —less than Budget, 1913-14	Budget, 1914-15 + more —less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Medical Establishment ...	2,49	2,42	2,50	2,73	2,53	2,86	—20	+33
Hospitals and Dispensaries ...	2,08	2,13	2,47	2,42	2,40	2,43	—2	+3
Durbar Physician ...	14	8	38	42	45	43	+3	—2
Medical Stores	95	80	85	1,08	1,06	84	—2	—22
Lunatic Asylum	24	25	25	26	26	30	...	+4
Sanitation and Vaccination ...	1,13	90	1,16	1,47	1,19	143	—28	+24
Grants for Medical Purposes ...	...	...	...	...	...	...	...	...
Chemical Examiner and Bacteriologist	11	19	...	...	...	...	...	...
Medical Scholarships	6	5	9	10	9	9	—1	...
Refunds	1	2	...	...	1	...	+1	—1
Total ...	7,21	6,84	7,70	8,48	7,99	8,38	—4	+39

Revised, 1913-14.—The noticeable variations in the revised estimate as compared with the current year's budget are under *Medical Establishment* and *Sanitation and Vaccination*. The decreases in the two cases are due to savings in the salaries of Assistant and Sub-Assistant Surgeons, and in the grant for plague charges, respectively.

Budget, 1913-14.—This is about 39 more than the revised estimate and the excess is under *Medical Establishment* and *Sanitation and Vaccination*. The usual grants have been repeated under this head without any deduction for the savings which are noticed in the revised estimate, The excess under these heads are to a certain extent counterbalanced by a decrease of 22 under *Medical Stores*, as a provision of only 70 is made for Europe medicines instead of 90 in the current year on account of anticipated arrear payments.

If the grant of 1,00 for Malnad Improvements is added under *Sanitation and Vaccination* the total grant under this major head will be 9,38.

J. S. C.
14-5-14.

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21. Scientific and other Minor Departments.

Accounts.	First Months Eight	Nine	Ten	Last Months Four	Three	Two	Total	Later figures
1910-11 ...	1,92	2,10	2,33	1,00	82	59	2,92	
1911-12 ...	2,21	2,45	2,70	1,18	94	69	3,39	
1912-13	1,91	2,18	2,40	1,21	94	72	3,12	
1913-14 ...	2,65							

Estimates.			Revised by March's figures	Revised by April's figures
1913-14 ...	Budget	4,30		
	Revised	3,99		
1914-15 ...	Budget	5,80		

Minor Heads	Accounts 1910-11	1911-12	1912-13	1912-13 Budget Estimate	1912-13 Revised Estimate	1913-14 Budget Estimate	Revised, 1913-14 +more —less than Budget, 1913-14	Budget, 1914-15 + more —less than Revised, 1913-14
Geological Department ...	29	19	19	22	18	21	—4	+3
Inspector of Mines and Explosives...		7	7	9	8	9	—1	+1
Meteorological Department ...	12	12	12	12	12	12	...	...
Archæological do ...	13	13	14	23	17	23	—6	+6
Museum	4	4	4	4	4	4	...	...
Donations to Scientific Societies ...	1	1	1	1	1	...	...	—1
Agricultural Department ...	58	78	62	88	83	2,38	—5	+1,55
Public Exhibitions and Fairs ...	6	9	7	7	8	7	+1	—1
Veterinary and Stallion Charges ...	40	44	46	50	48	59	—2	+11
Botanical and other Public Gardens	47	54	69	64	64	76	...	+12
Census	58	71	23	4	3	...	—1	—3
Ethnographical Survey	3	2	...	5	3	5	—2	+2
Examinations ...	4	4	6	13	16	12	+3	—4
Registrar of Co-operative Societies	17	21	26	39	37	45	—2	+8
Department of Industries and Commerce	...	...	15	89	77	69	—12	—8
Refunds	...	...	1	...				
Total ...	2,92	3,39	3,12	4,30	3,99	5,80	—31	+1,81

Revised, 1913-14.—A saving of 31 is anticipated under this head from the budget for the following reasons :

(1) The appointment of 2nd State Geologist being vacant and one of the Assistant Geologists being on other duty, a saving of 16 is anticipated under *Geological Department* of which three-fourths is transferred to the Major head 10. Charges against Mining Revenue.

(2) The lump grant of Rs. 8,500 for a monograph on Chalukyan buildings under *Archæological Department* is not likely to be fully utilized, and the major portion of the grant will lapse as the regular work of the Special Officer appointed for the purpose commences only next year.

(3) On account of some savings in the grants for Agricultural Schools and Experimental Farms, a lapse of about 5 is anticipated in the grant for the *Agricultural Department.*

(4) As the grants included under *Department of Industries and Commerce* for experimental industries and for collection and compilation of statistics are not likely to be utilized fully, a saving of 12 is expected under this head.

The only item in which there will be an appreciable excess over the grant is *Examination* in which an excess of 3 is anticipated caused by the charges relating to the school final and Government Technical examinations being recorded in the accounts under this head whereas the budget grant is included under 18. Education.

Budget 1914-15.—The budget grants proposed under this head aggregate 5,80 and exceeds the revised estimate by 1,81 This excess is chiefly caused by the increased cost of the Agricultural Department on account of the reorganisation of the department and the special non-recurring grants aggregating over a lakh of rupees on account of the new experimental farms to be opened in Chitaldrug and in the Malnad, for organising a Dairy and Breeding station and for steam jaggory plant. Under the other heads the usual grants have been made, but a special provision of 10 has been included under *Botanical and other public gardens* for the improvement of the Cubbon Park and another 10 under *veterinary and stallion charges* for opening additional veterinary dispensaries. A lump addition of 9 is added under Archæological Department to meet the cost of the monograph on Chalukyan buildings and under *Registrar of Co-operative Societies* a larger provision is made on account of the pay, travelling allowances etc., of the extra temporary establishment sanctioned *pro-rata* according to the number of Co-operative Societies started in the State.

The estimates in respect of all the items comprised under this head except Donations to scientific societies Agricultural Department, Exhibitions and Fairs, Census and Department of Industries and Commerce have been provisionally sanctioned by Government.

J. S. C.
15-5-14.

23. Allowances and Assignments under Treaties and Engagements.

	First Months			Last Months			Total	
	Eight	Nine	Ten	Four	Three	Two		
Accounts.								Later figures
1910-11 ...	18,03	35,59	35,65	17,78	22	16	35,81	
1911-12 ...	56	63	70	29	22	15	85	
1912-13 ...	56	63	69	28	21	15	84	
1913-14	55							
Estimates.								Revised by March's figures / Revised by April's figures
1913-14 ... Budget	,,	,,	,,	,,	,,		86	
1913-14 ... Revised	,,	,,					85	
1914-15 ... Budget	,,	,,	,,	,,	,,		85	

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 + more —less than Budget, 1913-14	Budget, 1914-15 + more —less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Subsidy to the British Government ...	35,00	...	...	...	...	...	...	...
Political Pensions	69	72	71	73	72	72	—1	...
Miscellaneous	12	13	13	13	13	13	...	...
Total ...	35,81	85	84	86	85	85	—1	...

The estimates are normal and call for no remarks. The subsidy to British Government is transferred to the head Army and Defence with effect from 1911-12.

J. S. C.
15-5-14.

24. Superannuation Allowances and Pensions.

Accounts.	First Months: Eight	First Months: Nine	First Months: Ten	Last Months: Four	Last Months: Three	Last Months: Two	Total	Later figures
1910-11 ...	4,66	5,26	5,85	2,46	1,86	1,27	7,12	
1911-12 ...	4,75	5,45	6,07	2,60	1,90	1,28	7,35	
1912-13 ...	4,94	5,85	6,50	2,97	2,06	1,41	7,91	
1913-14	5,08							
Estimates.								Revised by March's figures / Revised by April's figures
1913-14 ... Budget	,,	,,	,,	,,	,,		7,77	
1913-14 ... Revised	,,	,,		,,	,,		7,90	
1914-15 ... Budget	,,	,,	,,	,,	,,		8,15	

Minor Heads	Accounts: 1910-11	Accounts: 1911-12	Accounts: 1912-13	1913-14: Budget Estimate	1913-14: Revised Estimate	1914-15: Budget Estimate	Revised, 1913-14 +more −less than Budget, 1913-14	Budget, 1914-15 +more −less than Revised, 1913-14
Superannuation and Retired Allowances	7,01	7,24	7,77	7,64	7,75	8,03	+11	+28
Compassionate Allowances ...	4	6	9	6	9	6	+3	−3
Gratuities	7	5	5	7	6	6	−3	...
Total ...	7,12	7,35	7,91	7,77	7,90	8,15	+13	+25

The variations are in consequence of the growth of pensionary charges. The budget figure is arrived at by deducting from the provision in the current year's budget items which have lapsed and adding thereto the pensions and allowances sanctioned since the date of the last estimate.

J. S C.
16-5-1914.

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25. Stationery and Printing.

	First Months			Last Months			Total
	Eight	Nine	Ten	Four	Three	Two	
Accounts.							Later figures
1910-11 ...	1,68	1,92	2,01	56	32	23	2,24
1911-12 ...	1,63	1,85	1,96	58	36	25	2,21
1912-13 ...	1,78	1,97	2,05	54	35	27	2,32
1913-14 ...	1,69						
Estimates.							Revised by March's figures / Revised by April's figures
1913-14 ... Budget	„	„	„	„	„	„	2,11
1913-14 ... Revised	„	„	...				2,23
1914-15 ... Budget	„	„	...	„	„	„	2,10

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 +more —less than Budget, 1913-14	Budget, 1914-15 +more —less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Stationery Depot	96	99	1,07	1,08	1,12	1,08	+4	—4
Printing and Gazette Office ...	1,24	1,18	1,19	97	1,05	96	+8	—9
Branch Press at Mysore ...	4	4	5	5	6	5	+1	—1
Printing at Private Presses ..	...	...	1	1	...	1	—1	+1
Refunds	...	...	...	...	...	...	...	...
Total ...	2,24	2,21	2,32	2,11	2,23	2,10	+12	—13

Revised, 1913-14.—The grants sanctioned in the budget will be exceeded under *Stationery Depot* owing to larger purchases of printing paper and stationery for public departments and under *Printing and Gazette Office* chiefly under establishment both of the regular and piece work departments, and in the cost of materials and types.

Budget, 1914-15.—This is framed for the sanctioned establishment charges and the usual grants for the supplies and services of the department.

J. S. C.
15-5-14.

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26. Miscellaneous.

Accounts.	First Months: Eight	Nine	Ten	Last Months: Four	Three	Two	Total	Later figures
1910-11 ...	3,67	3,89	4,13	1,06	84	60	4,73	
1911-12 ...	3,54	3,95	4,64	3,36	2,95	2,26	6,90	
1912-13 ...	1,47	1,68	1,75	30	9	2	1,77	
1913-14	3,14							

Estimates.			Revised by March's figures	Revised by April's figures
1913-14 ...	Budget ,, ,, ,, ,, ,,	8,38		
	Revised ,, ,,	4,23		
1914-15 ...	Budget ,, ,, ,, ,, ,,	3,49	5,49	

Minor Heads	Accounts 1910-11	1911-12	1912-13	1913-14 Budget Estimate	Revised Estimate	1914-15 Budget Estimate	Revised, 1913-14 +more −less than Budget, 1913-14	Budget, 1914-15 + more −less than Revised, 1913-14
Travellers' Bungalows, 1st and 2nd classes ...	25	26	24	28	28	26	...	—2
Miscellaneous (General) ...	86	67	34	30	30	32	...	+2
Loss by Exchange ...	...	...	...	...	...	...	...	...
Reception of Important Personages ...	46	...	..	...	...	...	...	...
Contributions	2,75	2,48	62	2,72	3,53	2,88	+81	—65
Charities, Donations, etc. ...	15	13	28	5	6	...	+1	—6
Special and Unforeseen Charges ...	...	2	...	...	1	...	+1	—1
Irrigation Wells Establishment ...	3	3	3	3	3	3	...	...
Miscellaneous charges for the treatment of patients at the Pasteur Institute	1	...	...	...	...	...	...	...
The Coronation Durbar at Delhi of King Emperor George V, 1911	20	3,30	24	...	..	...	...	...
Refunds	2	1	2	..	2	...	+2	—2
Lump addition by F. D. ...	...	...	...	5,00	...	...	5,00	...
Total ...	4,73	6,90	1,77	8,38	4,23	3,49	—4,15	—74

Revised, 1913-14.—Leaving out of account the lumpsum grant of 5 lakhs the expenditure against which has been classified in the accounts under the various heads, the revised estimate follows the budget except for small fluctuations not exceeding 1 under certain minor heads. A grant of 80 has been sanctioned by Government on account of grants-in-aid for village improvements in accordance with the scheme recently sanctioned by Government. It is not known how far this grant will be utilized before the close of the year, but the full grant is included in the revised under *Contributions*.

Budget, 1914-15.—This is framed for the usual charges under this head including the annual grant to the Mysore City Improvement Fund. The grant of 2 lakhs to the Village Improvement Fund is not included in it, and if this is added, the total grant under this head will be 5,49.

J. S. C.
15-5-14.

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27. Army.

Accounts	First Months: Eight	Nine	Ten	Last Months: Four	Three	Two	Total	Later figures
1910-11 ...	8,38	9,94	10,96	4,44	3,38	2,36	13,32	
1911-12 ...	8,56	10,00	11,02	6,48	4,04	3,02	14,04	
1912-13 ...	8,86	9,86	10,88	4,51	3,51	2,49	13,37	
1913-14 ...	8,76							

Estimates.								Revised by March's figures	Revised by April's figures
1913-14 ...	Budget	,,	,,	,,	,,	,,	14,37		
	Revised	,,	,,				13,64		
1914-15 ...	Budget	,,	,,	,,	,,	,,	14,57		

Minor Heads	Accounts 1910-11	1911-12	1912-13	1913-14 Budget Estimate	Revised Estimate	1914-15 Budget Estimate	Revised, 1913-14 + more —less than Budget, 1913-14	Budget, 1914-15 + more —less than Revised, 1913-14
Headquarters	57	50	48	47	47	47	...	...
Imperial Service Regiment ...	3,75	3,57	3,61	3,69	3,54	3,80	—15	+26
Local Service Regiment ...	1,92	1,76	1,78	1,78	1,81	1,93	+3	+12
Government Stud Farm, Kunigal ...	40	54	54	52	54	57	+2	+3
Hessarghatta and Nadamavinapura Farms.	15	10	12	21	12	19	—9	+7
Barr or Native Infantry ...	2,24	2,31	2,22	2,67	2,39	2,48	—28	+9
Miscellaneous Charges... ...	21	19	16	19	20	18	+1	—2
Imperial Service Transport Corps ...	2,12	2,07	2,49	2,80	2,48	2,81	—32	+33
Military Stores	8	9	6	9	9	9	...	...
Superannuation and Retired Allowances	88	87	87	93	86	91	—7	+5
Palace Military	1,00	1,00	1,00	1,00	1,14	1,14	+14	...
Delhi Durbar charges	...	1,04	4	...	...	...	..	...
Lump addition by F. D. ...	...	...	...	2	...	...	—2	...
Total ..	13,32	14,04	13,37	14,37	13,64	14,57	—73	+39

Revised, 1913-14.—The revised estimate is expected to be 73 less than the budget estimate. The noticeable items contributing to this result are ;—

(1) *Imperial Service Regiment.*—(15) due to savings in the pay of non-commissioned officers and sowars and good conduct pay,

(2) *Barr or Native Infantry.*—(28) due to savings in the pay of non-commissioned officers and men and the lapse of the special grant for purchase of rifles.

(3) *Imperial Service Transport Corps.*—(32) on account of savings in salaries and establishments and some lapses in the grants for converting pony carts into bullock ones, for new iron and ambulance carts and also in the grant for purchase of Amrit Mahal bulls.

There will also be small lapses of 9 and 7, under *Hessarghatta and Nadamavinapura Farms*, and *Superannuation and Retired Allowances* respectively.

These savings will, to a certain extent, be counterbalanced by small excesses over grants under other heads, particularly *Palace Military* in consequence of the increased contract grants sanctioned from this year on account of improvements to His Highness the Maharaja's Body Guards.

Budget, 1914-15.—This provides for the usual items of establishment and other charges, for higher grants for compensation for dearness of gram and ragi and for chenna rations on account of the high prices ruling in the market. A grant of 16 out of the current year's grant of 24 for purchasing rifles for the Barr Regiment has been provided and larger allotments are made under *Imperial Service Transport Corps* for converting pony carts into bullock carts and for purchase of Amrit Mahal bulls. The current year's grants amounting to 10 for new iron and ambulance carts have also been repeated.

The estimate in respect of *Government Stud Farm Kunigal, Hessarghatta and Nadamavinapura Farms*, and *Imperial Service Transport Corps* have been sanctioned by Government.

J. S. C.
15-5-14.

27 A. Subsidy to British Government.

Accounts.	First Months: Eight	Nine	Ten	Last Months: Four	Three	Two	Total	Later figures: Revised by March's figures	Revised by April's figures
1910-11 ...									
1911-12 ...	17,50	17,50	35,00	17,50	17,50	...	35,00		
1912-13 ...	17,50	35,00	35,00	17,50	...	...	35,00		
1913-14 ...	17,50								
Estimates.									
1913-14 ... Budget	„	„	„	„	„	„	35,00		
1913-14 ... Revised	„	„					35,00		
1914-15 ... Budget	„	„	„	„	„	„	35,00		

Minor Heads	Accounts 1910-11	1911-12	1912-13	1913-14 Budget Estimate	1913-14 Revised Estimate	1914-15 Budget Estimate	Revised, 1913-14 +more —less than Budget, 1913-14	Budget, 1914-15 +more —less than Revised, 1913-14
Subsidy to British Government ...	...	35,00	35,00	35,00	35,00	35,00	...	...

No remarks.

J. S. C.
15-5-14.

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27 B. Military Works.

Accounts.	First Months			Last Months			Total	Later figures	
	Eight	Nine	Ten	Four	Three	Two			
1910-11 ...								Revised by March's figures	Revised by April's figures
1911-12 ...	18	24	31	27	21	14	45		
1912-13 ...	29	34	36	23	18	16	52		
1913-14 ...	53								
Estimates.									
1913-14 ... Budget	,,	,,	,,	,,	,,		1,19		
1913-14 ... Revised	,,	,,					1,19		
1914-15 ... Budget	,,	,,	,,	,,	,,		95		

Minor Heads	Accounts			1913-14		1914-15		
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate	Revised, 1913-14 + more —less than Budget, 1913-14	Budget, 1914-15 + more —less than Revised, 1913-14
Military Works	...	45	52	1,19	1,19	95	...	+24

The grant for next year includes provisions for constructing permanent structures for accommodating the Local Service Regiment near Woddarpalya at Mysore and drainage of Imperial Service Lancers lines.

J. S. C.
15-5-14.

28. Famine Relief.

Accounts	First Months: Eight	Nine	Ten	Last Months: Four	Three	Two	Total	Later figures
1910-11 ...	...	...	...	—3	—3	—3	—3	
1911-12 ...	—3	—3	—3	—1	—1	—1	—4	
1912-13 ...	...	...	...	...	...	...	...	
1913-14 ...								

Estimates.		Revised by March's figures	Revised by April's figures
1913-14 ...	Budget ,, ,, ,, ,, ,, ...		
	Revised. ,, ,, ,, ,, ,, ...		
1914-15 ...	Budget ,, ,, ,, ,, ,, ...		

Minor Heads	Accounts 1910-11	1911-12	1912-13	1913-14 Budget Estimate	1913-14 Revised Estimate	1914-15 Budget Estimate	Revised, 1913-14 + more − less than Budget, 1913-14	Budget, 1914-15 + more − less than Revised, 1913-14
I Salaries and Establishment ..	...	..	...	...	...	...	...	...
II Relief works in charge of Civil Officers ...	...	...	...	...	...	...	...	...
III Relief works in charge of P. W. Officers ...	...	...	..	...	...	...	...	...
IV Relief to people employed otherwise than on relief works ...	—2	—2	...	..	...	...	...	...
V Gratuitous Relief ...	—1	...	...	...	...	...	...	...
VI Miscellaneous ...	...	—2	...	...	...	...	...	...
Total ...	—3	—4	...	..	...	...	..	...

No remarks.

J. S. C.
15-5-14.

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29. Reduction or Avoidance of Debt.

	First Months			Last Months			Total	
	Eight	Nine	Ten	Four	Three	Two		
Accounts.								Later figures
1910-11				3,33	3,33	3,33	3,33	
1911-12				3,33	3,33	3,33	3,33	
1912-13				3,33	3,33	3,33	3,33	
1913-14 ...								
Estimates.								Revised by March's figures / Revised by April's figures
1913-14 ... Budget	,,	,,	,,	,,	,,	,,	3,33	
1913-14 ... Revised	,,	,,		,,	,,	,,	3,33	
1914-15 ... Budget	,,	,,	,,	,,	,,	,,	3,33	

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 + more − less than Budget, 1913-14	Budget, 1914-15 + more − less than Revised, 1913-14
	1910-11	1911-12	912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Famine Reserve ...	2,00	2,00	2,00	2,00	2,00	2,00	...	...
4 % Loan Sinking Fund ...	1,33	1,33	1,33	1,33	1,33	1,33	...	...
Total ...	3,33	3,33	3,33	3,33	3,23	3,33	...	...

No remarks.

J. S. C.
15-5-14.

30. State Railways—Interest on Debt.

		First Months			Last Months			Total	
		Eight	Nine	Ten	Four	Three	Two		
Accounts.									Later figures
1910-11	...	3,00	3,00	4,20	4,17	4,17	2,97	7,17	
1911-12	...	3,60	3,60	4,20	3,56	3,56	2,96	7,16	
1912-13	...	3,00	3,60	4,80	4,17	3,57	2,37	7,17	
1913-14	...								Revised by March's figures / Revised by April's figures
Estimates.									
1913-14	... Budget	,,	,,	,,	,,	,,		7,20	
	... Revised	,,	,,					7,20	
1914-15	... Budget	,,	,,	,,	,,	,,		7,20	

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 + more —less than Budget, 1913-14	Budget, 1914-15 +more —less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Guaranteed Interest paid to the Madras and Southern Mahratta Railway Company ...	7,17	7,16	7,17	7,20	7,20	7,20	...	...

The figures are normal and call for no remarks.

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15-5-14.

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30 A. Miscellaneous Railway Expenditure.

	First Months			Last Months			Total	
	Eight	Nine	Ten	Four	Three	Two		
Accounts								Later figures
1910-11 ...								
1911-12 ...	8	9	10	31	30	29	39	Revised by March's figures
1912-13 ...	1,16	1,29	1,67	1,53	1,40	1,02	2,69	Revised by April's figures
1913-14 ...	51							
Estimates.								
1913-14 ... Budget	„	„	„	„	„		1,50	
1913-14 ... Revised	„	„	„	„	„		21	
1914-15 ... Budget	„	„	„	„	„		61	

Minor Heads	Accounts			1913-14		1914-15	Revised, 1913-14 + more less than Budget, 1913-14	Budget, 1914-15 + more less than Revised 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Saloon Carriages ...	...	22	45	22	27	2	+ 5	—25
Direction and Accounts ...	...	10	1,66	1,09	41	110	—68	+69
Surveys	...	7	58	19	—57	12	—76	+69
Rebate	...	...	...	...	10	...	+10	—10
Deduct amount debitable to capital outlay ...	...	...	...	...	...	—63	...	—63
Total ...	...	39	2,69	1,50	21	61	—1,29	+40

Revised, 1913-14.—The revised estimate of the expenditure under this head shows a saving of 1,29 from the budget. This variation is due to two causes:—

(1) Mileage and Government supervision charges in respect of the Bowringpet-Kolar and Bangalore-Chikballapur Railways are recovered from the administrations concerned and adjusted under this head by deduction of charges incurred. Cost of establishment, etc., is also proportionately debited to the several lines under construction including the Mysore-Arsikere Railway.

(2) The cost of surveys of certain lines debited to this head in the first instance are now written back from this head as the charges are now transferred to the capital account of those lines.

Budget, 1913-14.—This is framed for the usual charges under *saloon carriages* and for the sanctioned establishment under *direction and accounts*. But a sum of 63 being the estimated cost of establishment debitable to the several lines under construction has been deducted for transfer to the capital account of these lines of railway. Provision has been included under surveys for the investigation of the following lines.

(1) Aiyanur-Tirthahalli and Sagar Railway.

(2) Mysore-Kakankote Tramway.

(3) Tumkur-Sira Railway.

Further provision has to be added under this head for the rebate due to the Kolar District Board on account of the possible loss to the Bowringpet-Kolar Railway on account of working charges and also for the compensation for lands taken up for aided railways.

J. S. C.
16-5-14.

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J. & K. Public Works.

Accounts.		First Months: Eight	Nine	Ten	Last Months: Four	Three	Two	Total	Later figures: Revised by March's figures	Later figures: Revised by April's figures
1910-11	...	12,39	16,56	18,52	12,82	8,65	6,69	25,21		
1911-12	...	15,14	18,18	21,45	18,79	16,75	12,48	33,93		
1912-13	...	23,77	27,62	13,21	18,09	14,24	10,65	41,86		
1913-14	...	27,61								
Estimates.										
1913-14	... Budget	„	„	„	„	„	„	59,21		
	... Revised	„	„					28,81		
1914-15	... Budget	„	„	„	„	„	„	35,05		

Major Heads	Accounts 1910-11	Accounts 1911-12	Accounts 1912-13	1913-14 Budget Estimate	1913-14 Revised Estimate	1914-15 Budget Estimate	Revised, 1913-14 + more —less than Budget, 1913-14	Budget, 1914-15 + more — less than Revised. 1913-14
Irrigation—								
31. Major Works ...	2,96	10,42	19,89	35,95	4,62	6,01	—31,33	+139
32. Minor Works ...	1,40	1,39	1,42	3,28	3,28	3,19	...	—9
Other Public Works—								
33A. Civil Works ...	20,55	21,62	20,55	19,98	20,91	25,85	+93	+494
Military Works ...	30	...	...	...	...	...	...	...
Total ...	25,21	33,93	41,86	59,21	28,81	35,05	—30,40	+6,24

The revised and budget estimates are those furnished by the Public Works Department. The budget figures have been sanctioned by Government.

The large variation both in the revised estimate for 1913-14 and the budget for 1914-15 is not real as the grant for the Cauvery Reservoir works has been separated from this head and shown under a new head opened for capital expenditure not charged to Revenue. According to the revised estimate of the Public Works Department, a portion of the grant for Major Irrigation Works is proposed to be utilized on Civil Works.

The budget estimate is 6,24 in advance of the revised as provision has been included in excess of the usual allotment on account of some buildings considered by Government to be overdue in Bangalore and Mysore. Improvements to the Fort gates at Mysore and additional blocks to the Palace which are considered urgent have also been included in the list of works to be executed next year.

J. S. C.
16-5-1914.

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34. Capital Outlay on State Railways.

		First Months			Last Months			Total	
		Eight	Nine	Ten	Four	Three	Two		
Accounts.									Later figures
1910-11	...	2,16	2,17	2,18	2,28	2,27	2,26	4,44	Revised by March's figures
1911-12	...	2,96	2,94	46	—1,47	—1,45	1,03	1,49	Revised by April's figures
1912-13	...	—40	—28	—23	2,86	2,74	2,69	2,46	
1913-14	...	—1,69							
Estimates.									
1913-14	... Budget	„	„	„	„	„	„	18,95	
	... Revised	„	„					67	
1914-15	... Budget	„	„	„	„	„	„	4,47	

Minor Heads	Accounts			1913-14		1914-15		
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate	Revised, 1913-14 + more —less than Budget, 1913-14	Budget, 1914-15 + more —less than Revised, 1913-14
I. Kolar Gold Fields	...	...	...	3	11	18	+8	+7
Mysore-Harihar	4,29							
Mysore-Nanjangud	—2							
Bangalore-Hindupur	..	1,49	2,46	3,87	56	4,24	—3,31	+3,68
Birur-Shimoga	3							
State Saloon Carriages	2	...	...	...	...	...	...	...
Direction and Accounts	9	...	...	...	...	...	...	
Reserve Grant	...	...	..	5	...	5	—5	+5
Survey of a line between Mysore and Hassan	3	...	...	...	...	...	...	...
Extension of Railways.—Lump sum provision	...	...	...	15,00	...	...	—15,00	...
II. Stores	...	...	..	...	...	...	..	...
Total ...	4,44	1,49	2,46	18,95	67	4 47	—18,28	+3,80

Revised, 1913-14.—The considerable fall in the revised estimate as compared with the budget for 1913-14, is due to causes both nominal and real. In the first place the grant for Railway extension in the current year's budget was included under this head, but the charges incurred this year are shown under a separate head opened for capital outlay not charged to Revenue. There have also been some savings in the grant for capital outlay on the open lines of State Railway which is chargeable to Revenue for the following reasons :—

(1) Owing to the delay in settling the question of the demand for additional locomotives and rolling stock and delay in getting the locomotives, the agent of the M. S. M. Railway Company expects to utilize only about half the sanctioned grant for the year, the balance being resigned.

(2) This outlay will be further reduced considerably owing to a large reduction in the Government share of stores balances amounting to about 2,00.

Budget, 1913-14.—The grant of 4,47 for the next year includes the portion of the current year's grant resigned by the Agent of the Company and a reserve grant of 5. An allotment of 3 is also made for outlay on new works.

J. S. C.
16-5-14.

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34 A.—Bangalore Electric Tramways.

	First Months			Last Months			Total
	Eight	Nine	Ten	Four	Three	Two	Later figures
Accounts.							
1910-11 ...							
1911-12 ...							
1912-13 ...							
1913-14 ...	35						
Estimates.							Revised by March's figures / Revised by April's figures
1913-14 ... Budget	,,	,,	,,	,	,,	6,65	
1913-14 ... Revised	,,	,,	,,	,,	,,		
1914-15 ... Budget	,,	,,	,,	,,	,,		

Minor Head	Accounts			1913-14		1914-15	Revised, 1913-14 +more −less than Budget, 1913-14	Budget, 1914-15 +more −less than Revised, 1913-14
	1910-11	1911-12	1912-13	Budget Estimate	Revised Estimate	Budget Estimate		
Capital Expenditure	...	...	...	6,65	...	...	...	...

According to the new classification introduced from this year, under which the grants for large capital works are separated from outlay chargeable to Revenue and shown under new heads opened for capital outlay not charged to Revenue, the revised and the budget estimates are shown under the new heads.

J. S. C.
16-5-1914.

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L. Cauvery Power Scheme.

Accounts	First Months: Eight	Nine	Ten	Last Months: Four	Three	Two	Total	* Lt ii: figures
1910-11 ...	3,60	4,19	4,39	3,02	2,43	2,23	6,62	
1911-12 ...	2,48	2,98	3,22	4,34	3,84	3,60	6,82	
1912-13 ...	2,62	2,79	3,14	4,17	4,00	3,65	6,79	Revised by March's figures
1913-14 ...	6,71							Revised by April's figures
Estimates.								
1913-14 ... Budget	„	„	„	„	„		20,87	
1913-14 ... Revised	„	„					7,89	
1914-15 ... Budget	„	„	„	„	„		7,91	

Minor Heads	Accounts 1910-11	1911-12	1912-13	1913-14 Budget Estimate	1913-14 Revised Estimate	1914-15 Budget Estimate	Revised, 1913-14 + more —less than Budget, 1913-14	Budget, 1914-15 + more —less than Revised, 1913-14
35. Revenue Account—								
Working Expenses ...	3,45	3,45	6,44	4,16	4,06	4,09	—10	+3
Depreciation ..	2,84	2,86	...	2,92	2,92	2,95	...	+3
36. Capital Account—								
Sivasamudram—Kolar Section	—1	—2	—21	28	38	44	+10	+6
Bangalore City Section ...	12	15	18	15	18	15	+3	—3
Bangalore C. & M. Station Section.	11	13	24	18	21	18	+3	—3
Mysore City Section ...	11	25	14	13	14	10	+1	—4
Lump Provision for the Fourth Installation	...	...	...	13,05	*	*	—13,05	...
Total ...	6,62	6,82	6,79	20,87	7,89	7,91	—12,98	+2

If the lump provision of 13·05 included in the budget for 1913-14 on account of the fourth installation is left out of account, the revised estimate for 1913-14 and the budget for 1914-15 do not show any material variation from the budget for 1913-14.

The charges relating to the fourth installation and the grant for the next year are shown under a new head opened for capital outlay not charged to Revenue.

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16-5-14.

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Total Expenditure.

		Accounts	Total	Finance Department.
1910-11	... ...		2,22,71	
1911-12	... ...		2,32,01	
1912-13	... ...		2,40,78	
		Estimates.		
1913-14	... { Budget		3,13,55	
	{ Revised		2,37,23	
1914-15	... Budget		2,49,38	
		Revised by March's figures.		
1913-14	Revised		2,37,23	
1914-15	Budget		2,57,84	
		Revised by April's figures.		
1913-14	Revised			
1914-15	Budget...			

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N. Capital Outlay not charged to Revenue.

Accounts.	First Months			Last Months			Total	Latter figures
	Eight	Nine	Ten	Four	Three	Two		
1910-11 ...								
1911-12 ...								
1912-13 ...								
1913-14 ...								
Estimates							Revised by March's figures	Revised by April's figures
1913-14 ... Budget	„	„	„	„	„			
1913-14 ... Revised	„	„	„	„	„	37,68		
1914-15 ... Budget	„	„	„	„	„	97,40	1,04,77	

Minor Heads	Accounts			1913-14		1914-15	Revised 1913-14 +more —less than Budget 1913-14	Budget 1914-15 +more —less than Revised 1913-14
	1910-11	1912-13	1913-14	Budget Estimate	Revised Estimate	Budget Estimate		
37. Cauvery Reservior and allied works					19,70	37.50		+17,80
38. State Railway Construction ...					8,83	40,00		+31,17
39. Subsidised or Aided Railways ...					.	15,30		+15,30
40. Bangalore Electric Tramways ...					65	1,13		+48
41. Cauvery Power Scheme IV Installation.					8,50	3,47		—5,03
Total ...					37,68	97,40		+59,72

According to the new system of classification introduced from this year for separating capital charges from expenditure chargeable to the year's revenue, these major heads have been opened from the current year under a distinct group—'N. Capital outlay not charged to Revenue.' The grants for these items in the current year's budget aggregated 65,10 but the outlay on the works during the year is expected to be only 37,68 leaving a balance of 27,42 unutilized this year. A grant of 10·70 lakhs is surrendered in the grant of 30,40 for the Cauvery Reservoir and about 6 lakhs by the Railway Construction Department. Only about 65 out of the sanctioned grant of 6,65 will be utilized on the construction of the Bangalore Electric Tramways, and 4·55 lakhs will also remain unutilized in the allotment of 13,05 for the C. P. S. IV Installation.

Budget, 1914-15.—The budget includes a grant of 29 lakhs for the main works in connection with the Cauvery Reservoir and 8,50 in connection with certain allied works, *viz.*, opening out new channels and extending and improving existing ones. For extension of Railways owned by the State and those subsidized by the State, a provision of 55,30 is proposed.

For Electric Tramways a provision of 1,13 is proposed in the departmental estimate, but this has to be raised to 6 lakhs as the current year's outlay is expected to be about 65 only, and the whole of the estimate for the work after deducting outlay so far incurred has to be repeated in the next year's budget if the work is to be executed next year. For similar reasons, the grant for the C. P. S. 4th installation which is fixed in the departmental estimate at 3,47 has also to be raised to 5,97. With these modifications the total budget grants under these heads will amount to 1,04,77.

J. S. C.
16-5-1914.

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REVENUE.

(In Rupees, omitting 000's except in accounts.)

Heads of Revenue	Accounts, 1912-13	Budget Estimate, 1913-14	Revised Estimate, 1913-14		Budget Estimate, 1914-15		
			Comptroller	Finance Department	Heads of Departments, etc.	Comptroller	Finance Department
A.—Principal Heads of Revenue—							
I Land Revenue	1,05,00,292	1,05,00	1,05,00		1,06,40	1,06,40	
II Forest	32,93,721	22,00	29,14		32,07	28,20	
III Excise	48,14,089	43,36	52,20		47,18	45,14	45,14
IV Assessed Taxes... ...	2,65,570	2,75	2,63		2,73	2,65	
VII Stamps	9,41,435	9,00	10,30		9,25	9,34	9,34
VIII Registration	1,82,848	1,85	1,95		1,78	1,81	1,81
Total ..	1,99,97,955	1,83,96	2,01,22		1,99,41	1,93,54	
B.—VIII A.—Surplus Revenue of Bangalore Assigned tracts ...			30,00			13,43	
C—Mining Revenue—							
IX Mining Royalty and Leases	19,36,222	19,00	19,36		18,56	19,00	19,00
D—Interest—							
X Interest	4,14,655	2,34	1,30		1,44	1,44	
XI Profit or Loss	7,71,332	10,00	16,00		12,50	12,50	
Total ...	11,85,987	12,34	17,30		13,94	13,94	
E—Receipts by Civil Departments—							
XIIA. Law and Justice—Courts of Law	58,641	47	51		51	49	
XIIB. Law and Justice—Jails ...	32,087	39	31		38	38	38
XIII Police	24,144	25	27		28	26	
XIV Education	1,63,787	1,43	1,77		2,15	1,60	
XV Medical	1,12,319	1,23	1,17		1,19	1,20	
XVI Scientific and other Minor Departments ...	1,13,329	75	1,07		97	89	
Total	5,04,307	4,52	5,10		5,48	4,84	
F—Miscellaneous—							
XVII Receipts in aid of Superannuation Pensions ...	2,018	2	2		2	2	
XVIII Stationery and Printing ...	7,863	9	10		9	9	9
XIX Miscellaneous	1,64,169	1,68	1,71		1,84	1,67	
Total ...	1,74,050	1,79	1,83		1,95	1,78	
G—Military Receipts—							
XX Army	71,835	62	74		82	84	
XXA. Military works ...	15,090	10	10		10	10	
Total ...	36,925	72	84		92	94	
H—XXI State Railways—Revenue Account	16,26,989	14,50	16,90		15,32	17,00	
K—XXII Public Works	3,88,467	3,34	3,65		3,38	3,38	3,38
L—XXIII Cauvery Power Scheme ...	17,05,781	17,00	17,12		18,58	18,58	
Total Revenue and Receipts ...	2,76,06,683	2,57,17	3,13,30		2,77,54	2,86,43	
Deficit	„	56,58	...		...	...	
Grand Total ...	2,76,06,683	3,13,55	3,13,30		2,77,54	2,86,43	

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EXPENDITURE.

(In Rupees, omitting 000's except in accounts.)

Heads of Expenditure	Accounts, 1912-13	Budget Estimate, 1913-14	Revised Estimate, 1913-14		Budget Estimate, 1914-15		
			Comptroller	Finance Department	Heads of Departments, etc.	Comptroller	Finance Department
A—Direct Demands on the Revenue—							
1. Refunds and Drawbacks ...	2,65,885	2,42	2,37		2,35	2,35	...
Charges in respect of Collection, *viz.*—							
2. Land Revenue	18,18,423	19,79	19,07		30,07	19,88	...
3. Forest	6,96,233	8,38	8,80		8,81	8,24	...
4. Excise	3,33,824	3,41	3,42		3,54	3,50	3,50
8. Stamps	61,425	42	49		46	46	46
9. Registration	83,958	91	86		91	90	90
Total ...	32.59,748	35,33	35,01		36,14	35,33	...
C - 10. Charges against Mining Revenue	2,11,466	2,33	2,19		2,04	2,30	...
D—Interest—							
11. Interest on Ordinary Debt ...	1,10,973	85	80		85	85	...
12. Interest on other obligations ...	3,23,521	3,41	3,46		3,79	3,79	...
13. Profit or Loss	905	1	1		...	...	...
Total ...	4,35,399	4,27	4,26		4,64	4,64	...
DD—14. Palace	23,22,000	23,40	22,96		23,40	23,40	...
E—Salaries and Expenses of Civil Departments—							
15. General Administration ...	8,31,353	9,13	11,04		9,78	8,82	...
16A. Law and Justice—Courts of Law.	7,75,578	8,19	8,38		*4,61	8,25	...
16B. Law and Justice—Jails ...	1,14,981	1,51	1,36		1,54	1,53	1,53
17. Police	9,43,514	9,58	9,69		10,41	10,30	...
18. Education	11,47,476	16,09	13,69		14,08	13,38	...
19. Muzrai or Religious and Charitable Institutions ...	3,50,947	3,55	3,52		3,57	3,57	3,57
20. Medical	7,69,799	8,48	7,99		8,59	8,38	...
21. Scientific and other Minor Departments	3,11,880	4,30	3,99		6,29	5,80	...
Total ...	52,45,528	60,83	59,66		58,87	60,03	...
Carried over ..	1,14,74,141	1,26,16	1,24,08		1,25,09	1,25,70	...

*Does not include share of Land Revenue charges.

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EXPENDITURE—*concld.*

(In Rupees, omitting 000's except in accounts.)

Heads o Expenditure	Accounts, 1912-13	Budget Estimate, 1913-14	Revised Estimate, 1913-14		Budget Estimate, 1914-15		
			Comptroller	Finance Department	Heads of Departments, etc.	Comptroller	Finance Department
Brought forward ...	1,14 74,141	1,26,16	1,24,08		1,25,09	1.25,70	
F.—Miscellaneous Civil Charges—							
23. Allowances and Assignments under Treaties & Engagements	84,351	86	85		85	85	
24. Superannuation Allowances and Pensions	7,90,714	7,77	7,90		8,15	8,15	
25. Stationery and Printing ...	2,32,175	2,11	2,23		2,12	2,10	2,10
26. Miscellaneous	1,76,931	8,38	4,23		3,55	3,49	
Total ...	12,84,171	19,12	15,21		14,67	14,59	
G—Army and Defence:—					*		
27. Army	13,36,857	14,37	13,64		12,55	14,57	
27A. Subsidy to British Government	55,00,000	35,00	35,00		35,00	35,00	
27B. Military works	51,904	1,19	1,19		95	95	95
Total ...	48,88,761	50,56	49,83		49,50	50,52	
GG.—Famine Relief and Insurance—							
28. Famine Relief	14	...	...		...	...	
29. Reduction or Avoidance of Debt	3,33,333	3,33	3,33		3,33	3,33	
Total ...	3,33,347	3,33	3,33		3,33	3,33	
H.—Railways—							
30. State Railways—Revenue—Account	7,17,377	7,20	7,20		7,20	7,20	
30A. Mis. Railway Expenditure ...	2,69,482	1,50	21		61	61	
Total ...	9,86,859	8,70	7,41		7,81	7,81	
J.—Irrigation—							
31. Major Works	19,89,155	35,95	(a) 4,62		6,01	(a) 6,01	6,01
32 Minor Works	1,41,852	3,28	3,28		3,19	3,19	3,19
K.—Other Public Works—							
33. Civil Works	20,55,321	19,98	20,91		25,85	25,85	25,85
Total ...	41,86,328	59,21	28,81		35,05	35,05	35,05
L.—34. Capital outlay on State Railways	2,46,166	18,95	(a) 67		4,47	(a) 4,47	
Bangalore Electric Tramways—Capital Expenditure ...	...	6,65	(a)		...	(a)	
LL.—Cauvery Power Scheme—							
35. Revenue Account ...	6,43,693	7,08	6,98		7,04	7.04	
36. Capital Outlay ...	34,909	13,79	(a) 91		87	(a) 87	
Total ...	6,78,602	20,87	7,89		7,91	7,91	
Total Expenditure ...	2,40,78,375	3,13,55	2,37,23		2,47,83	2,49,38	
Surplus ...	35,28,308	...	76,07		29,71	37,05	
Grand Total ...	2,76,06,683	3,13,55	31,330		2,77,54	2,86,43	
N.—Capital outlay not charged to Revenue—							
37. Cauvery Reservoir and allied works ...			19,70		37,50	37,50	
38. State Railway Construction ...			8,85		40,00	40,00	
39. Subsidised or Aided Railways...			...		15,30	15,30	
40. Bangalore Electric Tramways...			65		1,13	1,13	
41. Cauvery Power Scheme IV Installation			8,50		3,47	3,47	
Total N ...			37,68		97,40	97,40	

* Provision for "Palace Military" not included.

(a) The provisions for Capital charges are brought under "N. Capital outlay not charged to Revenue."

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PROCEEDINGS OF THE GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF

M Y S O R E.

----:o:O:o:----

R E A D:-

The consolidated preliminary budget for the year 1914-15 and the Comptroller's notes thereon.

Order thereon No. ~~Je 521~~ / F 7116-13

Bangalore, Dated ~~Soon July~~ 7 August 1914.

The revised estimate framed by the Comptroller on the basis of eight months' actuals shows that the revenue and expenditure for the year 1913-14, which were estimated at Rupees 257,17,000 and Rs.313,55,000, stand revised at present to Rs.317,30,000 and Rs.274,91,000 respectively. The net result of the transactions of the year ~~is therefore expected~~ according

according to the revised estimate is the surplus expected to be a surplus of Rs. 42,39,000.

2. This improvement is the combined result of the revenue being Rs.60,13,000 higher than the budget estimate and the expenditure Rs.38,64,000 lower. The increase on the revenue side is contributed to by the heads, Forest, Excise, Stamps, Interest, Railways and Surplus Revenues of the Bangalore Assigned Tract. On the expenditure side against a grant of Rs.65,10,000 for capital expenditure in connection with the Cauvery Reservoir, Railway Construction, the Fourth Installation of the Cauvery Power Works and the Bangalore Tramways, there is a lapse of Rs.27,42,000. There were also lapses and savings of Rs.11,22,000 in the ordinary grant.

3. Budget 1914-15. The Budget Estimates for the year 1914-15 as provisionally passed were for a revenue of Rs.284,92,000 and an expenditure inclusive of grants for special capital works, of Rs.358,63,000.

[illegible] to the revised to be [illegible] of [illegible]

£1,89,000.

2. This improvement is the estimated result
of the revenue [illegible] £9,12,000 after the
budget until the end the [illegible] £8,0[illegible],
lower. The increase on the [illegible] is con-
tributed to by the Lords, Forest, [illegible], the
Interest, Judicial, and Treasury [illegible] of the
Exchequer. [illegible] the [illegible] is
also expected to be £[illegible],10,000 for certain
amendments in connection with the Income Taxes
Act, 1918, Section [illegible], the Death Duties
of the Treasury Bonds [illegible] the Finance Act,
1919, there is a [illegible] of £[illegible],000. There
are also [illegible] and certain of £[illegible], in
the ordinary [illegible].

3. Estimate 1919-20. The Estimate
for the year 1919-20 is [illegible] as
for a sum of £[illegible],38,[illegible] and [illegible]
[illegible] of [illegible] for [illegible] [illegible],
£[illegible],000.

4. The budget was presented to the Legislative Council on the 29th June 1914 and discussed at a sitting of the Council on the 7th July 1914. The discussion was full and interesting and a report of it will ~~duly~~ appear in the Gazette in the usual course.

5. A sum of Rs.17,000 is, now, added on the revenue side on account of the net revenue anticipated from the Tarikere-Yedahalli Tramway line which is shortly to be opened for traffic.

6. With this addition the estimates which will stand as under are sanctioned.

Revenue	...	Rs.285,09,000
Expenditure (inclusive of grants for special capital Works)	...	Rs.358,63,000

The special grants for capital expenditure aggregate Rs.95,17,000 as noted below.

(1) Cauvery Reservoir Works		Rs.37,50,000
(2) Electric Tramways	...	Rs. 6,00,000
(3) IV Installation, Cauvery Power Scheme.	...	Rs. 5,67,000
(4)State Railway Construction		" 36,00,000
(5) Subsidised do.		" 10,00,000
Total	...	Rs.95,17,000

6. The budget was presented to the Legis-

lative Council on the 28th June 1918 by Major

[illegible] of the Portfolio [illegible]. It re-

ports of it will [illegible] in the [illegible] to the fin-

ancial course.

8. A sum of [illegible] is [illegible] on

the x ports elle on account of [illegible] at Tavuno

[illegible] from the [illegible]. It is

like which is [illegible] for the City.

8. With this addition the total [illegible]

will stand as under the proposed.

Revenue ... [illegible]

Expenditure
(Including of works
for special [illegible]
works) ... [illegible]

The special grants for certain [illegible] amo-

unt to [illegible] below.

(1) Survey [illegible] [illegible]

(2) [illegible] ...

(3) IV Installation, [illegible]
Power [illegible] ...

(4) [illegible] ...

(5) [illegible] ...

Exclusive of the special grants, the normal Budget shows a surplus of Rs.21,63,000.

7. This order together with detailed Budget as sanctioned in paragraph 6 above will be published in an extra-ordinary issue of the Mysore Gazette for general information. ~~The Financial Secretary's speech introducing the budget in the Legislative Council and published in pages 9 to 47 of the supplement to the Mysore Gazette dated 23rd July 1914 may be referred to for further details~~.

3/8

Financial Secretary to Govt.

Print. 4.8.14

To 30.7.14

The Comptroller to the Government of
His Highness the Maharaja of Mysore.

H. K. S.

Proceedings of the Government of His Highness the Maharaja of Mysore, Financial (General Finance), dated 7th August 1914.

READ—

The consolidated preliminary Budget for the year 1914-15, and the Comptroller's Notes thereon.

NO. FL. 521.—G. F. 116-13-2, DATED BANGALORE, 7TH AUGUST 1914.

ORDER THEREON.—The revised estimate framed by the Comptroller on the basis of eight months' actuals shows that the revenue and expenditure for the year 1913-14, which were estimated at Rs. 2,57,17,000 and 3,13,55,000, stand revised at present to Rs. 3,17,30,000 and Rs. 2,74,91,000 respectively. The net result of the transactions of the year according to the revised estimates is therefore expected to be a surplus of Rs. 42,39,000.

2. This improvement is the combined result of the revenue being Rs. 60,13,000 higher than the budget estimate and the expenditure Rs. 38,64,000 lower. The increase on the revenue side is contributed to by the heads, Forest, Excise, Stamps, Interest, Railways and Surplus Revenues of the Bangalore Assigned Tract. On the expenditure side against a grant of Rs. 65,10,000 for capital expenditure in connection with the Cauvery Reservoir, Railway Construction, the Fourth Installation of the Cauvery Power Works and the Bangalore Tramways, there is a lapse of Rs. 27,42,000. There were also lapses and savings of Rs. 11,22,000 in the ordinary grant.

3. *Budget, 1914-15.*—The budget estimates for the year 1914-15, as provisionally passed, were for a revenue of Rs. 2,84,92,000 and an expenditure, inclusive of grants for special capital works, of Rs. 3,58,63,000.

4. The budget was presented to the Legislative Council on the 29th June 1914 and discussed at a sitting of the Council on the 7th July 1914. The discussion was full and interesting and a report of it will appear in the Gazette in the usual course.

5. A sum of Rs. 17,000 is now added on the revenue side on account of the net revenue anticipated from the Tarikere-Yedahalli Tramway line which is shortly to be opened for traffic.

6. With this addition the estimates which will stand as under are sanctioned :—

	Rs.
Revenue	2,85,09,000
Expenditure (inclusive of grants for special capital works)	3,58,63,000

The special grants for capital expenditure aggregate Rs. 95,17,000 as noted below :—

		Rs.
(1)	Cauvery Reservoir Works	37,50,000
(2)	Electric Tramways	6,00,000
(3)	IV Installation, Cauvery Power Scheme ...	5,67,000
(4)	State Railway Construction	36,00,000
(5)	Subsidised Railways	10,00,000
	Total ...	95,17,000

Exclusive of the special grants, the normal budget shows a surplus of Rs. 21,63,000.

7. This order together with the detailed budget as sanctioned in paragraph 6 above, will be published in an extraordinary issue of the *Mysore Gazette* for general information.

J. S. CHAKRAVARTI,
Financial Secretary to Government.

To—The Comptroller to the Government of His Highness the Maharaja of Mysore.

Exd.—C. R.

1914-15

GOVERNMENT OF HIS HIGHNESS
THE MAHARAJA OF MYSORE

FINANCIAL
(GENERAL FINANCE)

PROCEEDINGS

Dated 7th August 1914

No. Fl. 521
G. F. 116-13-2

Sanctions the Budget Estimates of the State for the year 1914-15.

GPB—18-8-14—300

G.R.S. 13]

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

Gen Fin file 116-13, Serials 1 & 2, B August 14 relating to the State Budget Estimates for 14-15 is submitted to the Extraordinary Member of Council for information.

J. Shamanna
27.8.14. For Financial Secretary

CW

H.V.N.

Seen by the Extraordinary Member
Mad
30/8

Subd to the First Member of Council for information.

J. Shamanna
2.9.14 2.9.14 For Financial Secretary

Abn

~~Very valuable~~ Information about a month old -

7/9/14

Subd to 2nd Member of Council for information.

Abn

Seen

Well. Done
8/9

9/9

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

H.V.N.

GPB—10,000—10-6-14